

Spit in it

FINANCIAL TIMES

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D 8523 B

Nakasone faces
a paradox of
power, Page 5

NEWS SUMMARY

GENERAL

Reagan leads as U.S. votes

Last-minute U.S. opinion surveys showed President Ronald Reagan maintaining a reduced but still significant lead over Mr. Walter Mondale, his underdog Democratic challenger, as Americans went to the polls. Voters, many of whom turned out in the dark at 6.30am on the East Coast, were not taking the outcome as a foregone conclusion, however.

Priest charge

Three Polish security police officers were charged with the murder of Father Jerzy Popieluszko and the Communist Party's ruling politburo decided that General Wojciech Jaruzelski, the Prime Minister, should take over supervision of the party apparatus in the Interior Ministry. Page 20

India compensation

The Indian Government announced that families of those killed in the violence after Indira Gandhi's assassination would receive Rs 10,000 (\$835) in compensation for each victim. Sikh industrialists' warning. Page 4

Marcos running

Philippines President Ferdinand Marcos, 67 and in the 20th year of his rule, has announced that he will be a candidate in the next presidential elections in 1987.

Private doctors

China, worried by its poor medical facilities, is to allow doctors to go into private practice and companies to set up health services. Page 20

Nicaragua killing

Nicaraguan Communications Minister Enrique Schmidt has been killed fighting U.S.-backed rebels in the central province of Bocca. Page 6

Typhoon toll

More than 140 people were killed and thousands made homeless by a typhoon that struck the central Philippines.

S. Africa riots

Sixteen people died in 24 hours of rioting, looting and arson that swept South African townships as black workers joined a two-day general strike. Page 4

Modern police

The French Government is planning to modernise the police force, as the issue of law and order threatens to become the focus of political conflict. Page 3

Iran veils bathers

Iran, where male and female bathers are segregated, is to erect peep-proof screens along its Caspian Sea beaches to allow women to take a dip away from the gaze of curious males.

Bourguiba rests

Tunisian President Habib Bourguiba, 81, rested in hospital in Tunis after unspecified heart troubles.

Budd decision

Track star Zola Budd decided not to run in a South African race that would have led to her being banished from international athletics.

BUSINESS

Bonn told to hand back tax surcharge

WEST GERMANY'S upper-bracket taxpayers received a DM 2bn (\$844.5m) windfall when the country's supreme court declared illegal a special income-tax surcharge imposed this year. Page 3

DOLLAR was firmer in London, rising to DM 2.948 (DM 2.9285), SwFr 2.4225 (SwFr 2.4075), FFf 9.055 (FFf 8.99) and Y241.9 (Y242.05). On Bank of England figures, its trade-weighted index was unchanged at 138.5. Page 39

STERLING was weaker on the foreign exchanges, closing in London at \$1.261, a fall of 70 points. It also fell to DM 3.7125 (DM 3.715) and Y305.0 (Y307.0) but was unchanged at SwFr 3.055 and FFf 11.42. The pound's trade-weighted index was up to 76.3 from 76.2. Page 39

WALL STREET: The Dow Jones industrial average closed 14.91 up at 1,244.15. Section III

LONDON equities failed to be inspired by lower base rates and favourable money-supply figures while the FT Industrial Ordinary index closed 2.1 down at 901.4. Section III

TOKYO shares turned lower as investors' retreated and unloaded stocks in small lots, reversing an early 28-point rise in the Nikkei Dow market average, to finish 76.43 down at 11,297.66. Section III

GOLD rose \$2.75 on the London bullion market to \$345.75. It also improved in Frankfurt, to \$348.25 and in Zurich to \$345.75. In New York, the Comex November settlement was \$347.20. Page 38

KOREA is releasing 50bn won (\$81.4m) in stock purchasing loans through commercial banks to local security companies in an effort to breathe life into a dull stock market. Page 21

ARGENTINA: Cost of living rose 19.3 per cent in October, boosting the rate of inflation in the past 12 months to 703 per cent.

MACAO, the Portuguese colony on China's south coast, is to open off-shore financial facilities in an attempt to become an international financial centre. Page 23

GATT, the world trade body, approved an application by China giving it observer status as a prelude to full membership.

CITIBANK of the U.S. is negotiating the purchase of Compagnie Générale de Banque Soficom, a small private French bank, in a move to increase its presence in French consumer banking. Page 21

MERRILL LYNCH Capital Markets is arranging a \$100m financing for Electrolux of Sweden.

BHP, Australia's largest company, has made a U.S.\$420m takeover offer for Energy Reserves Group, the U.S. oil and gas exploration company. Page 23

CONOCO, U.S. oil company, has set up a wholly owned subsidiary in Canada, reflecting a clear improvement in the climate for foreign investors in the energy industry. Page 22

STORAGE TECHNOLOGY, U.S. computer equipment company, succeeded in negotiating a \$150m revolving credit line from New York's Chemical Bank. Page 21

STRIKE leaders at Austin Rover in Britain were ordered by a judge to call off their action until a secret ballot has been held under UK trade union legislation. Britain is almost alone in Europe in legally requiring ballots to support strike action. Page 8

Gorbachev visit may signal Anglo-Soviet thaw

BY DAVID BUCHAN IN LONDON

BRITAIN will receive its highest-level Soviet visitor for eight years when Mr Mikhail Gorbachev, the apparent number two to President Konstantin Chernenko, leads a Soviet parliamentary delegation to London next month.

Mr Gorbachev is coming at the invitation of the UK branch of the Inter-Parliamentary Union (IPU), but during his visit, expected to last a week from December 15, he will see Mrs Margaret Thatcher, the Prime Minister, and Sir Geoffrey Howe, Foreign Secretary, the Foreign Office said yesterday.

Although he failed in February to succeed his patron, the late Presi-

dent Yuri Andropov, as general secretary of the Communist Party, the youthful 53-year-old Mr Gorbachev seems to have further consolidated his number two position this year.

In April he acquired responsibilities for foreign affairs and ideology as well as the key economy and agriculture portfolios he already held, when he succeeded Mr Chernenko as chairman of the foreign affairs commission of the Supreme Soviet (parliament).

In the guessing game that substitutes for hard information in Moscow, Mr Gorbachev's star was recently believed to be waning, when he did not address last month's cen-

tral committee session on agriculture. However, speculation died down this week as Mr Gorbachev's photograph was displayed next in the pecking order to that of President Chernenko, as part of the street decor for today's Red Square parade.

The British Government was clearly pleased yesterday that a man of Mr Gorbachev's standing should have chosen to accept the IPU invitation. The last Politburo member to come to London was Mr Andrei Gromyko, Foreign Minister, in 1976.

UK officials took it as a sign that Moscow was responding to the de-

clared aim of the Thatcher Government over the past year to improve Anglo-Soviet relations after several years of deterioration.

Mrs Thatcher attended the Andropov funeral in February and Sir Geoffrey Howe visited Moscow in July. The next move was clearly up to the Soviet Union, with Mr Gromyko expected in London some time in 1985. Britain, however, will now be able to sound out a less known, but potentially even more powerful, Soviet leader in Mr Gorbachev.

Mr Gorbachev's London trip follows visits to Italy earlier this year and to Canada last year, and marks

his growing involvement in foreign policy. Politburo policy-making is collective, however, and he is unlikely to depart from the line which, as Mr Gromyko repeated yesterday, remains unyielding towards the West and, in particular, towards the U.S.

Mr Gromyko, opening the festivities marking the 67th anniversary of the Russian Revolution, gave a Kremlin address saying that the next U.S. Administration had much to do to restore U.S. credibility with the Soviet Union. He also attacked West Germany for its "revanchist" claims on East Germany.

MONEY-SUPPLY GROWTH SLOWS

British base rates cut by 1/2-point

BY PHILIP STEPHENS AND MARGARET HUGHES IN LONDON

BRITAIN'S leading banks cut their base lending rates by 1/2 a percentage point to 10 per cent yesterday after official figures showed a marked slowing in the growth of the money supply.

The bank's move, led by Barclays, followed the announcement by the Bank of England that the most closely watched money supply measure, sterling M3, grew by only 1/4 to 1/2 per cent in October.

The measure's annual growth rate since the start of the Government's target period in February dropped to 9 1/2 per cent, well within the 6 to 10 per cent range set in the budget and down from 10 1/2 per cent in September.

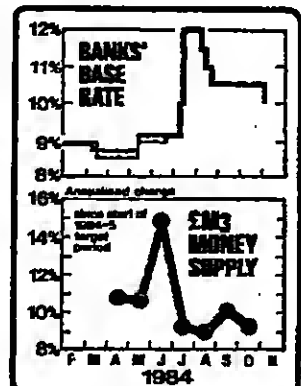
The base rate cut reflected the complete reversal in sentiment in London's financial markets over the past two weeks as U.S. interest rates and the dollar fell.

Sterling, which has also been helped by steady oil prices, has rebounded by 3 per cent against other leading currencies since reaching record lows late last month.

The recovery led the Bank of England to signal its support for a base rate cut on Monday, when it lowered the rates it sets for its dealings in the money markets.

There was speculation in the City of London last night that there will be a further cut in base rates in coming weeks, probably to 9 1/2 per cent, as interest rates in the U.S. continue to decline.

It is clear that the authorities are keen to see borrowing costs lowered further to strengthen the eco-



mic recovery. The prospect of falling rates would also provide a boost to the stock market to coincide with the flotation of British Telecom.

The Bank of England, however, may be cautious about moving too quickly until the downward trend in rates in the U.S. is confirmed and while prospects of a solution to the miners' dispute remain uncertain.

On the foreign exchange markets, yesterday's sterling shrugged off the base rate cut. It fell 70 points against the dollar to close in London at \$1.2610, but was steady against other currencies, with the sterling index up 0.1 to 76.3.

The dollar firmed in what dealers described as thin election-day trading.

Continued on Page 20

Fed breaks silence, Page 8; Lex, Page 20; Markets, Section III

Madrid to lift all Gibraltar restrictions

By Tom Burns in Madrid and Robert Mauthner in London

SPAIN is proposing to lift all remaining restrictions on the movement of people and goods by land between Spain and Gibraltar early next year under an agreement worked out by officials of both sides in Madrid.

The agreement in principle is due to be submitted for final approval to Sir Geoffrey Howe, the UK Foreign Secretary, and Sr Fernando Moran, his Spanish opposite number, when they meet in Brussels at the end of this month at a negotiating session on Spain's membership of the European Economic Community.

It is hoped that its implementation, which also involves a concession by Britain on the right of certain categories of Spaniards to reside and work in Gibraltar without delay, will coincide with a final agreement on Spain's entry into the EEC.

The agreement is the outcome of a series of meetings between ministers and officials of both sides initiated by Sir Geoffrey Howe and Sr Moran in New York in September 1983, to see how the Anglo-Spanish statement issued in Lisbon in 1980 could be implemented.

Under the so-called Lisbon declaration, the Spaniards agreed to lift all restrictions on movement between Spain and the Rock in return for a British undertaking to discuss any proposals that Spain might make on Gibraltar's future.

Britain, however, made clear in the Lisbon declaration that it would fully maintain its commitment "to honour the freely and democratically expressed wishes of the people of Gibraltar."

A partial reopening of the border between Spain and Gibraltar was decided by the present Spanish Government shortly after it took office in December 1982. However, it

Continued on Page 20

Allianz buys 6.3% Agnelli stake in RAS insurance company

BY ALAN FRIEDMAN IN MILAN

ALLIANZ VERSICHERUNG, West Germany's biggest insurer, yesterday continued its takeover of Italy's RAS insurance group by taking a 6.3 per cent stake in RAS from SAES, a holding company controlled by the Agnelli family, which dominates Fiat.

In addition, Allianz is understood to be close to acquiring a further 1.2 per cent of RAS, Italy's second-largest insurer, from another Agnelli-controlled institution, the Toro insurance group. The two purchases are expected to cost more than \$70m.

Those latest moves come only five days after Allianz agreed to take effective control of RAS (Riunione Adriatica di Sicurtà) by purchasing 6 per cent from the Italmobiliare holding group. Allianz at the same time agreed to buy a further 30 per cent from Italmobiliare next year, making for a 36 per cent stake at a total price of around L500bn (\$288m).

The various acquisitions are ex-

pected to give Allianz a total RAS stake of more than 50 per cent when it completes its share purchases some time next year. The purchase of the remaining 30 per cent from Italmobiliare is being delayed for tax reasons in Italy.

It is understood that the purchase of the Agnelli family's shares, some of which are non-voting, was agreed between Dr Wolfgang Schirmer, Allianz's chief executive, and Sig Umberto Agnelli, the Fiat vice-chairman who is also president of Toro insurance and a member of Allianz's international advisory board.

The purchase of SAES and Toro shares in RAS is believed to have been discussed even before Allianz completed its bid last week for the Italmobiliare stake, held by the heirs of the late Sig Carlo Pesenti, the cement baron and Roman Catholic financier.

Sig Pesenti died in September, leaving his Italmobiliare group of insurance, steel, engineering and other companies with more than

L500bn of debt. The Allianz purchase of the RAS stake will wipe out the Italmobiliare debt.

With the purchase of the Agnelli family stakes added to the Italmobiliare holding, Allianz is expected to be paying a total of about \$370m for the control of RAS, which ranks as one of the biggest investments ever made in Italy by a West German concern. The investment is larger even than the purchase last year of 25 per cent of Olivetti by American Telephone and Telegraph (\$260m).

Allianz will gain a RAS network of 30 countries, total premiums which last year amounted to L2,403bn (more than half of them from abroad) and thus a sizeable base with which to continue its own foreign expansion.

Last week's Allianz agreement to purchase 36 per cent control from Italmobiliare was negotiated mainly by Morgan Grenfell, the London merchant bank.

Polygram, Warner abandon merger plans

By Paul Taylor in New York

WARNER COMMUNICATIONS and Polygram Records, the European joint venture between Philips of The Netherlands and Siemens of West Germany, yesterday abandoned their merger proposal citing opposition by the U.S. Federal Trade Commission (FTC) to the plan to create the largest record distributor in the world.

The move follows eight months of court battles in the U.S. between Warner, the U.S. entertainment group, and the FTC, which has opposed the planned merger on anti-trust grounds.

In a brief joint statement issued yesterday in New York, Warner Communications, Philips and Siemens said: "This decision is a direct consequence of the opposition of the Federal Trade Commission to the proposed merger in the U.S."

The three companies said that since the U.S. and foreign aspects of the planned merger were interrelated, "it has been decided to abandon the entire transaction."

Under the terms of the deal, first proposed last year and already approved by British and French authorities, two new companies would have been set up: one in the U.S., 80 per cent owned by Warner, and another covering Europe and the rest of the world owned 50 per cent by Warner and 50 per cent by the Polygram partners, with Philips being the main European partner.

The FTC argued that the merger would have been anti-competitive, noting in particular that in the U.S. alone the new company would have a 26 per cent market share.

Philips and Warner said yesterday they remained firmly convinced that the merger would not have had detrimental effects on competition in the U.S. and that they ultimately would have prevailed against the FTC in the U.S. courts.

However, the companies said that because the court proceedings would have taken several years to complete they decided it was no longer feasible to keep the record operations and the personnel involved in a state of uncertainty.

Both Warner and Polygram had actively sought the merger in an attempt to cut distribution costs and broaden product offerings. Warner's record division is profitable in the U.S. but the U.S. group lacks a strong international presence.

Polygram sought the deal to close its costly and inefficient distribution system in the U.S. In the last six years, Polygram has reported losses of \$235m on sales of \$974m and disclosed in court papers showing it expected to report a \$15m loss

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EUROPEAN NEWS

Solidarity's leader speaks exclusively to Christopher Bobinski

Walesa backs Church call for calm

MR LECH WALESZA has thrown his prestige as leader of the Solidarity movement behind an appeal for calm in the wake of the murder of Fr Popieluszko and against the call by some Solidarity activists for a token protest strike later this week.

In an exclusive interview with the Financial Times, Mr Walesa said he looks to the Catholic Church to "give a lead to the nation" and to speak on Solidarity's behalf in an "honest dialogue" with the Jaruzelski Government.

Asked for his views on Western governments' dialogue with Poland, accelerated this week with the visit of Mr Malcolm Rifkind, the UK Foreign Office Minister to Warsaw, the Solidarity leader implied that present Government policies give no guarantee that any new Western leans or

credits could be properly used by Poland. This contrasted strongly with his call a year ago for the lifting of Western sanctions and provision of Western aid.

A group of Solidarity activists led by Mr Andrzej Gwiazda, the here of the union's radicals, has called for a one hour token strike in Gdansk on Friday in protest at the murder of Father Popieluszko.

Honest dialogue

While expressing his appreciation of the emotions which inspired the call, Mr Walesa stresses that calm should prevail. He hints that it is this posture, and his own appeals, in the days since Father Popieluszko was murdered that may have already avoided the introduction of a state of emergency by the Government.

He also indirectly criticises the move towards the open establishment of civil rights observance committees urged by some other activists. Instead, he repeats his call for an "honest dialogue" between rulers and ruled.

He limits his remarks on the struggle between General Wojciech Jaruzelski and the hardliners in the security service now being blamed for the killing of the priest to an "unyielding" demand that the murder be "fully explained."

But the fulsome way in which the statement praises Cardinal Jozef Glemp, the Polish Primate, indicates that Mr Walesa is ready for Solidarity to take a back seat in any talks between church and state.

This is what Mr Walesa means when he speaks of the Polish Church being capable of "leading the nation at a crucial moment" and he gives the

Cardinal a vote of confidence when he talks of his "wisdom."

This line will surprise many of the union's activists. Even some of the moderates see the Cardinal's behaviour since the beginning of the crisis as too cautious.

Security apparatus

This has given rise to fears that the Church is not and will not be capable of putting sufficient pressure on General Jaruzelski to win lasting improvements.

But Mr Walesa's line is fairly clear. He is signalling to the authorities that they can rely on calm prevailing in the country while he demands that they establish control over their own security apparatus and follow this up with conciliatory policies.



Yugoslav dissident trial again delayed

By Aleksandar Lebi in Belgrade

THE TRIAL of the six Yugoslav dissidents accused of conspiring to overthrow the country's political system was again postponed yesterday, to give the defence until tomorrow to prepare its case.

The proceedings, which started on Monday, has already come to resemble a sort of free-form "happening," with much procedural wrangling under the spotlight of international attention, including representatives of Amnesty, the Helsinki rights monitoring group, the American Bar Association, and Ms Petra Kelly from the West German Greens movement.

The six defendants, all Serbs and mainly in their 30s, are not in custody. They mix freely with the public before and after the court proceedings, distributing their protests alleging harassment and "state terrorism."

One of them, Mr Pavlosko Imdrovic, yesterday alleged that he was beaten up by police at a Monday night news conference given by the Greens—a claim corroborated by Ms Kelly.

There is speculation that, whenever the trial starts in earnest, the prosecution may reduce the charges of subversive conspiracy to something less grave. Many Yugoslavs feel the trial is a political blunder and that the defendants do not warrant such heavy-handed treatment.

Yesterday's delay was granted after one of the defence lawyers was named as a witness by the prosecution and therefore ruled out of the defence. The new attorney requested eight days to study the case, but was granted two days instead.

David Buchanan writes from London: A group of British Labour MPs yesterday formed a defence committee, under the chairmanship of Mr Eric Heffer, "to co-ordinate efforts to change the mind of the Yugoslav authorities even at this late date" about the Belgrade trial.

Mr Ralf Ditzdarevic, the Yugoslav Foreign Minister, left for London yesterday on an official visit to Britain, according to the national news agency Tanjug, AP reports.

E. Germany refuses to yield over would-be emigrants

BY LESLIE COLITT IN BERLIN

EAST GERMAN officials say that government will not go beyond an offer to waive prosecution of about 150 of their countrymen inside the West German embassies in Prague and Budapest if they return home, and to "consider" their applications to emigrate.

Most sought refuge in the Prague embassy last September and were followed by a handful who entered the embassy in Budapest. Until now they have rejected East Germany's offer, apparently holding out for an assurance, as was given in similar cases earlier this year, that they will be let out to the West.

The Bonn Government has repeatedly cautioned East Germans who try to short circuit the bureaucratic mechanism by entering Western embassies that they are endangering the chances of the many others who have applied for

legal permission to emigrate. Herr Wolfgang Vogel, the East Berlin lawyer responsible for contacts with West Germany on humanitarian issues, said his government's offer should provide "the basis for a mutually acceptable solution." But he warned that to demand more would be to risk the "example of Cardinal Mindszenty."

The Hungarian cardinal sought refuge in the U.S. embassy in Budapest after the uprising was crushed in 1956 and did not emerge until 1971 when he went into exile.

In spite of this costly problem, relations between the two German states have been remarkably unaffected. Both sides appear anxious to maintain a dialogue despite the cancellation in September of a visit to West Germany by President Erich Honecker.

Hungary's hard currency earnings behind target

BY OUR BERLIN CORRESPONDENT

THE HUNGARIAN Communist Party newspaper, Nepszabadsag, and the Foreign Trade Minister, Mr Peter Veress, have given a bleak assessment of Hungary's export drive which this year aims to produce \$700m-\$800m in hard currency earnings.

Mr Veress noted that some \$200m-\$250m worth of additional goods would have to be exported in the last quarter of the year to achieve the target which he said was essential to "reduce the debt."

Hungary is aiming at a \$300m current account surplus, the same as in 1983. The party daily said an analysis of production and export figures shows that "new questions keep emerging" along with ever more daunting tasks.

The minister said Hungary recently experienced a further 2.3 per cent worsening of its terms of trade because of a 25-30 per cent drop in the price of meat exports to the West and a fall of 6 per cent in machinery prices. He said competitive conditions now existed in the West for agricultural products which "eclipsed" everything

experienced in the past 30 years.

But Mr Veress said it would be "self-deception" to exclusively blame outside conditions for the worsening in the terms of trade. The share of competitive products turned out by Hungarian industry remains relatively low, he said, and inputs of energy and materials were often too high. Delivery dates were frequently not met, while after-sales service was sorely neglected.

Mr Veress said the year began badly for Hungarian foreign trade with only 54 per cent of the convertible currency target achieved in the first months. By the end of August, the hard currency trade balance was "considerably worse" than last year, although better results had been expected.

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Request for 'honest dialogue' with government

Q. We heard calls for a strike during the funeral of Father Popieluszko. You, Mr Walesa, have expressed your opposition to these and urged the people to show self-restraint. Also, people are setting up committees to watch over law observance after the murder of Father Popieluszko. How, if you say that society is showing its self-restraint, do you explain these calls for strikes and committees?

A. I understand this need people feel actively to protest against a terrible crime. This is every honest person's natural reaction. The urge to protest comes from the pain and despair, but also fear that this kind of police banditism might be repeated.

Poles have a right to feel safe in their own country. However, we must control our pain and despair. This is a Christian duty as well as a patriotic one.

We must avoid developments such as these of which we hear in India. The situation is too complex for a few people to try to resolve in an hour or two.

I am a worker. I went to Father Jerzy's funeral straight from the shipyard. I took away from there a mood of caution and solidarity. Poles don't have

to give proof of their courage to anyone. We are also sufficiently cautious and solid between ourselves.

Already I can say that thanks to our courage, caution and solidarity, we have avoided the

is constantly being put forward by us as well as by the Church. Our friends must regain their freedom but we mustn't commit the sin of impatience. I said at Father Popieluszko's funeral that Solidarity is alive because

6 We are waiting for a full explanation of all the circumstances of the kidnapping and murder of Popieluszko. We are patient but we remain unyielding. We must learn the whole truth, this must happen. This truth is necessary for an honest dialogue and an honest dialogue is Poland's only chance at present. 9

possibility of official moves which might have increased the tension.

Q. But the situation is still tense. As a result of all this, has not the case of political prisoners been pushed into the background, including that of your friend Bogdan Lis?

A. We haven't forgotten about Bogdan and Piotr (Mierzewski) for a single moment. This issue

he gave his life for it. Solidarity also lives and grows in strength through the suffering of the political prisoners.

Q. How do you see the situation inside the government? Just before the funeral they broke the news of further arrests in the security service. A. We are waiting for a full explanation of all the circumstances of the kidnapping and murder of Father Popieluszko.

We are patient but we remain unyielding. We must learn the whole truth, this must happen. This truth is necessary for an honest dialogue and an honest dialogue is Poland's only chance at present.

Q. Has the murder of Father Popieluszko changed your views about the Western dialogue with Poland and the lifting of sanctions?

A. Father Popieluszko's death has confirmed our earlier feeling that changes in Government being proposed by the authorities do not lead to an improvement in social relations and therefore don't provide a way out of the Polish crisis.

Q. How do you see the general situation in Poland after the funeral of Father Jerzy Popieluszko?

A. Father Popieluszko's funeral was a very moving experience for me—all the more so because I met him not so long ago in Gdansk. This modest priest, full of love and sincerity, won us over with the directness and truth of his sermons. This is why the mass and the demonstrative funeral made all the greater an impression on me—this is the pain of losing someone very near.

But I was also impressed with the self-control and determina-

tion of people there. Everyone feels that the moment is a very special one and this shows that the nation quite rightly feels we are now at a turning point.

Cardinal Primate Glemp in his sermon expressed people's feelings and thoughts best. The uncompromising way in which Father Popieluszko served the truth, together with his feeling of responsibility and attention to the common good, sets such a powerful example.

I am sure that there will be, it's happening already, a cult of Father Popieluszko, a cult of a Christian's sacrifice for his fatherland.

Q. What happens next? What developments do you foresee in the nearest future?

A. I trust in the future. I am a man of faith and this does not allow me to permit the thought that we might allow evil to triumph in Poland. I do not fear chaos or a fall in morale. The Polish Church has shown that it is capable of giving a lead to the nation at crucial moments in our history. The wisdom of the Cardinal Primate gives us proof of this.

My trust in the future also derives from a deep faith in the political genius of Poles. After 40 years of experience this genius will triumph.

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Businessmen are threatening to leave New Delhi for the Punjab, John Elliott reports Humiliation cuts deep for the Sikh community

"I HAVE a revolver in my pocket — I will not spare the man who comes for me," says Mr Monmohan Singh, who belongs to a group of Delhi's top Sikh businessmen which is this morning warning Mr Zail Singh, the Sikh President of India, that it will move out of the capital if it is not guaranteed protection.

"If Sikhs are not assured their safety now and in the future there will be a large scale move of people into the Punjab which is likely to set events going like the divisions between Pakistan and India in 1947," says Mr Monmohan Singh.

This is not a Sikh extremist speaking but an internationally known businessman. Mr Monmohan Singh is head of Fie India, which produces industrial refrigeration equipment, and of other electronics and food businesses that together have a turnover of some \$50m (£40m) a year. He is a past president of the Association of Indian Engineering Industries and is now president of the Indo-American Chamber of Commerce.

Mr Monmohan's factories escaped the Hindu riots last week virtually unscathed but two of his Sikh employees were killed. Worst hit were the Campa Cola soft drink factories owned by Mr Charanjit Singh, a prominent MP of the ruling Congress I party.

The MP has likened the plight of the Sikhs to that of the Jews in Germany in the 1930s. "We are going to move — my family will go to Punjab — unless we get a guarantee from the

government that we are secure," he declares.

Campa Cola took over seven years ago when Coca Cola pulled out of India and the factories are now the centrepiece of family businesses with a \$40m annual turnover. Three factories employing 2,000 people and 70 trucks have been lost, with damage estimated at \$8m in and around Delhi.

Mr Raunag Singh, another internationally known businessman, had his house attacked in south Delhi but his factories, scattered around the country, received little damage. "I have government licences for industrial projects costing \$600m cleared for Gujarat, Uttar Pradesh and Maharashtra, but we don't know whether to go on expanding business here or shift somewhere else," says Mr Raunag Singh.

As they count the cost of the riots that followed the assassination by two Sikhs of Mrs Indira Gandhi, the Prime Minister, a week ago and caused up to 1,000 deaths, Sikhs are blaming police for not helping them and are also accusing Congress I politicians of inciting the riots and of slowing down police action. "The police say they were under pressure from Congress I politicians not to interfere," alleges Mr Monmohan Singh. Many Sikhs say they received no police protection but praise their Hindu neighbours for helping them.

There is widespread incredulity that the riots could have spread so fast and there is speculation that they were organised, using jhuggiswallas — slum dwellers — and people



Mr Zail Singh, President of India, being greeted on his election in 1982 by Mr Rajiv Gandhi

from outlying villages.

Many Sikhs argue that local Delhi MPs (apart from Mr Charanjit Singh) encouraged the riots, firstly to provoke enough unrest to guarantee that the country rallied round Mr Rajiv Gandhi, the new Prime Minister and secondly to in the hope of winning favour with the Gandhi entourage. Businessmen say it took Mr Gandhi too long to order tough action and the security forces too long to act.

The Sikhs have stayed close to Hindus, often intermarrying and living in almost total harmony until the activities of the Sikh extremists in the Amritsar

Golden Temple and the rest of the Punjab began to change Hindu attitudes. In the Sikh home state of Punjab their caste has performed an agricultural revolution while the artisan caste has made the state a centre of small industry.

Sikhs were responsible as financiers and builders for constructing the centre of New Delhi in the 1920s. More recently, pace-making investments have been made by men like Mr Raunag Singh, Mr Bhai Mohan Singh of Ranaxy Laboratories and Mr Gurpreet Singh of Continental Devices, who is president of the Indian

Engineering Association. Many of these men now at the top of industry started in Delhi in the 1940s or 1950s after the partition of Pakistan and India, arriving from both sides of the border.

Using their personal and political drive they have also risen to the top of various Chambers of Commerce and other institutions. A proud sect, they have also grown used to being near the Gandhi family at the centre of political power. For the past two days many of the top businessmen have been closeted in the offices of Mr Charanjit Singh, cautiously venturing out to their factories and preparing the ground for today's meeting with the President.

Nearly 40 of them attended a meeting on Monday night to discuss moving out of Delhi.

"I would like to ably my factory out of Faridabad near Delhi" within six to eight months and I must now start to build a base in the Punjab and take work there," said Mr A. N. Singh, owner of Autopens which makes motor components, and an activist in Sikh politics. The businessmen's campaign is motivated by a mixture of hurt pride, a desire for greater political power and financial compensation, as well as by fear for their families and investments.

The Delhi region may now be sufficiently industrially developed to weather a withdrawal of Sikh investment. But their move could exacerbate Hindu-Sikh tensions and further polarise divisions between the Punjab and the rest of India.

Russians in Afghanistan 'burned civilians'

SOVIET troops in Afghanistan have committed atrocities against civilians, diplomats, quoting eyewitnesses, told Our Islamabad Correspondent yesterday. They said that 12 men and four women were seized from their homes and burned to death on October 20 in two villages on the Gards road running south from Kabul.

All 16 were doused with kerosene and set on fire, according to the reports. "We do not want to waste our bullets on Afghans," one soldier was quoted as saying.

The troops reportedly said they believed the villagers assisted Islamic rebels who had ambushed Soviet military convoys on the road, which is considered essential to the defence of the region.

Bahrain records budget deficit

Bahrain's Government accounts went in to the red last year, moving from a 1982 budget surplus of Bahraini Dinar 46.4m (£10.6m) to a deficit of BD 47m (£10.6m), Mary Frings reports.

Revised figures for actual income and expenditure presented to the Cabinet this week show total revenue for 1983 at BD 485m, of which oil revenue at BD 320m was 18 per cent down on 1982.

Within the expenditure total of BD 532m, BD 510m was spent on salaries, services and other current items, and BD 222m on capital projects.

The budget deficit is likely to be financed from official reserves, currently estimated at no more than \$1.5bn (£1.25bn).

The Okaz Organisation

THE OKAZ Organisation was referred to in an article published on September 5 ("Saudi Arabian delays hurt contractors") as part of the Shobokshi group. The Okaz Organisation for Press and Publication has asked us to state that it is an independent entity owned by 54 shareholders, that Mr Ali Shobokshi is one of the shareholders owning less than 3 per cent of its shares, and that the Shobokshi group has no role in the running of the Okaz Organisation.

Death toll in black South African work stoppage rises to 16

BY JIM JONES IN JOHANNESBURG

THE DEATH toll in violence stemming from a two-day work stoppage by black workers in townships near Johannesburg rose to 16 last night, with at least 14 injured and 40 arrested.

The work stay-away organised by various black unions and civic groups to protest at increases in rent and utility charges and at detention of black leaders, halted large sectors of industry on Monday and yesterday, although there were signs last night that support for the stay-away had begun to wane.

Blacks have adopted the only real avenue of protest open to them—a refusal to work, with the resultant stay at homes regularly degenerating into attacks on the homes of black town councillors and on commuter trains and buses.

The police have responded with tear gas, rubber bullets and birdshot to demonstrations. Measured by the numbers who went to work yesterday, the stay-away call failed in Soweto, the black township adjoining Johannesburg. Only 10

per cent of its workers failed to leave for work yesterday. In the townships of the Vaal Triangle to the south of Johannesburg, which were the target of huge police and army sweeps three weeks ago, 80-90 per cent of people stayed away from work in a tense, but largely peaceful, atmosphere.

On the other hand, the black townships of the East Rand erupted into arson, looting, violence and death. Support for the stay-away was nearly complete in the East Rand and townships near Pretoria.

By yesterday afternoon, police action appeared to have brought the situation under control but residents fear that the East Rand townships will be the next target of a combined police and army sweep.

Many residents in the East Rand townships have refused to pay their rent or utility bills since the start of September. They are demanding that planned rent increases be rolled back, as they were following riots in the Vaal Triangle townships just over a month ago.

General Ver wants to confront his accusers

BY EMILIA TAGAZA IN MANILA

THE PHILIPPINE armed forces chief who was indicted on Monday in connection with the murder of opposition leader Benigno Aquino yesterday challenged to a confrontation the panel which investigated the assassination.

Gen Fabian Ver, who stood down temporarily from his post after he was linked to the assassination, said he wanted an "early confrontation" with the panel to clarify the charges against him.

Gen Ver's statement, issued through his lawyer, came after summonses were served on him and 25 others linked by the panel to the conspiracy, to answer charges of murdering Mr Aquino and Mr Rolando Galman, the man the Government originally accused as the assassin.

The statement said the summons was not specific about the nature of the accusation against

Gen Ver. He wanted to know if he is being charged as a principal, accomplice or accessory.

Gen Ver said the panel's two reports contradicted each other regarding his alleged role. The report of four of the five-member panel found Gen Ver "indictable for the premeditated killing" of Mr Aquino. The report of Mrs Corazon Agrava, the panel chairman, said Gen Ver was not a plotter.

The order of the Tanodbayan (ombudsman) to Gen Ver and the other respondents to present their case marked the start of the preliminary inquiry which will seek to determine if evidence of guilt exist against the persons cited in the two reports.

If the Tanodbayan determines there is evidence of guilt, criminal charges will be filed.

Timor Sea talks set to resume

TALKS between Australia and Indonesia on seabed boundaries in the Timor Sea area will resume next week, Indonesia's Foreign Minister, Dr Mochtar, said yesterday. Kieran Cooke reports from Jakarta.

There was now greater interest in concluding an agreement because of the possibility of large oil deposits in the area, he added. "Last August, the Australian Broken Hill Proprietary Company announced oil finds in the Timor Sea about 370 miles north-west of Darwin. Deposits of oil and natural gas in the area are thought to stretch under parts of the seabed claimed by Indonesia."

Chinese workers sacked for 'inefficiency'

BY MARK BAKER IN PEKING

ELEVEN Chinese workers have been sacked at a foreign joint-venture wristwatch factory in Shanxi Province as part of an apparent crackdown by the central Government on labour "inefficiency."

The sackings are seen as evidence of the Government's commitment to giving foreign investors greater control over staffing.

The workers, at the Huajie Electronics Company in Taiyuan City, had stopped work in protest against the company's daily watch production quotas.

According to a report in the Guangming daily newspaper, the factory, a joint venture be-

tween a Chinese authority and Hong Kong investors, began operations in August.

On September 14, the 11 workers had claimed that the production quota of 350 electronic watch pieces per shift was too demanding and they had asked for a reduction.

Pan Qing, the Hong Kong deputy manager, had explained to the workers that the quota had been scientifically assessed and was reasonable. He said a worker with one month's experience could produce 400 pieces per shift and there were bonuses for over-quota production.

The workers had refused an offer to make their own assessment of a reasonable quota and had refused to work all the next day, the paper said. When they had refused to begin work the next morning they were dismissed.

The highlighting of the case in the official press and the endorsement of the sackings, follows repeated pledges by the Chinese Government to give foreign investors more flexibility in the hiring and management of workers.

While the Government has been getting tough with "inefficient" workers—100 employees of the Capital Iron and

Steel Works in Peking were sacked earlier this year—it has been slow to extend this freedom to joint-venture companies. Most joint ventures are still forced to accept staff selected by government personnel agencies and face many bureaucratic problems if they want to change workers they find unsatisfactory.

The Guangming daily described the case as an example of "everyone eating from one big pot"—China's euphemism for the unproductivity of guaranteeing workers a job for life, no matter how poor their work might be.

Chinese joint ventures, Page 5

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OVERSEAS NEWS

WORLD TRADE NEWS

Nakasone faces a peculiarly Japanese paradox of power

BY JUREK MARTIN IN TOKYO

CONTEMPORARY Japanese politics are often best placed in a Biblical context. Take, for example, the first 15 chapters of the First Book of Chronicles, which runs from Adam to somebody called Jehiah, identified as a gatekeeper for the ark; for each name there lived, substitute that of a Japanese politician (Tanaka, Nakasone, Abe, Takeshita, Kanemaru, Fukuda, Suzuki, Miyazawa, Fujio and so on, there are literally hundreds of them); then carefully annotate their genealogical connections (Tanaka beget Nakasone, Nakasone beget Miyazawa, Miyazawa beget Abe, and so forth); finally, commit to memory.

The main advantage to this exercise is that the diligent student may unravel a peculiar paradox; which is, to take the Biblical metaphor forward, how it is that Mr Yasuhiro Nakasone, having risen like Lazarus from the sick bed of a near-disastrous election 10 months ago to new heights of public popularity, now finds himself so circumscribed at the start of a second term in office.

That Mr Nakasone is hebbled is the almost suspiciously unanimous view of Japan's establishment media, which is itself so much a part of the political process that it relegated even the assassination of Mr Gandhi to a distant second place in its coverage of last week's news. It is an undeniable fact of Japanese life that members of the ruling Liberal Democratic Party, lacking much of an effective common enemy within the country and broadly believing in the same conservative articles of faith, like nothing better than to wage personal conflict, the reasons for which may or may not be obvious.

Six different leaders in 12 years attest to the enduring nature of the struggle, which is not without its uses: it provides, for example, continuing public theatre and it does not generally intrude on policy enough to impair the bureaucracy's ability to run the country successfully.

But it does have perverse and surprising elements, such as the rise from almost total obscurity of the ultimate Diefident and the surprising Man. Mr Zenke Suzuki, the prime minister's brother, and the partial shacking of his mirror image, Mr Nakasone, who has appeared, to the outside world at least and perhaps to some Japanese, as the most distinctive head of government in many a moon.

Certainly, Mr Nakasone now finds himself hemmed in—and not just by his would-be heirs, Mr Shintaro Abe, the Foreign Minister, Mr Noburo Takeshita, the Finance Minister, Mr Kiichi Miyazawa, chairman of the LDP's executive board, and Mr Susumu Nakaido, the party vice-president and this year's choice as compromise alternative candidate. The Prime Minister is also surrounded by those who are said actively to dislike him personally, Mr Shin Kanamaru, LDP secretary general and Mr Masayuki Fujio, party policy chief.

Mr Nakasone has never been about to win a popularity contest inside the LDP. He has always been too outspoken and in his policy switches, a touch too mercurial for Japanese tastes. His inclination towards arrogance, as measured by Japanese standards, is a liability, as Mr Nakaido, supposedly, recently charged. His denigration of Mr Suzuki's record in office has also constituted poor tactics for it has turned his predecessor from passive co-operation to active conspiracy in promoting the causes first of Mr Miyazawa and then Mr Nakaido.

But this would be bearable if what got Mr Nakasone the leadership in the first place—his alliance with Mr Kakuei Tanaka—was as strong as ever. However, the composition of the new government suggests that the long-awaited struggle for the succession in the LDP's most effective single force may have fully begun.

The three main Tanaka props in the government—Mr Nakaido, Mr Kanamaru and Mr Takeshita—may not be as reliable as once assumed. Mr Nakaido has had the temerity to criticise Mr Tanaka for holding back the ambitions of his supporters, by implication himself and certainly Mr Takeshita.

Mr Kanamaru's daughter is married to Mr Takeshita's son and he nakedly wants the Finance Minister to become Prime Minister—over it, it means defying Mr Tanaka, who earlier this year as good as ordered Mr Takeshita not to compete. In his own quiet way, Mr Takeshita has been building a following among the younger members of the Tanaka faction and with Mr Abe.

Mr Suzuki's alienation and the possible weakening in Mr Tanaka's power are important because, together with Mr Nakasone and his followers, their factions form the LDP's so-called mainstream in effect a coalition within a party. Yet there is no doubt that it is the Nakasone faction which, Prime Minister or no, remains the junior partner, simply because of its numerical inferiority. The anti-mainstream factions—Mr Takeo Fukuda and Mr Toshie Komoto—have long had little love for Mr Nakasone, mostly because of his relation-



Mr Shintaro Abe, the Japanese Foreign Minister (pictured above), will fly to Ethiopia next week for a first hand look at the appalling starvation that has become a subject of grave international concern, Jurek Martin writes.

Mr Abe's visit, which will also take in Zambia and Egypt, is subject to the approval of the cabinet but this is considered a formality according to informed sources. An announcement is expected tomorrow.

So far Japan has made no commitment of special assistance to help relieve the Ethiopian disaster. However, one can be anticipated either during or in the wake of Mr Abe's tour, in which he is scheduled to see Col Mengistu, the Ethiopian leader.

Some criticism has been voiced in Tokyo, especially by the international community, of the minimal Japanese public awareness of the magnitude of the Ethiopian disaster. Both official comments and media coverage have been scant; the full BBC documentary which created such an impact in Europe and the U.S. last month has yet to be shown here, though some extracts have been shown.

Nevertheless, the Foreign Ministry, along with newspapers like the Asahi and Mainichi, has been leading a campaign, for much of the year to increase the level of public awareness of African problems, especially malnutrition.

Mr Abe himself gave a hint of the scale of possible assistance at the Organisation for Economic Co-operation and Development meeting in Paris in May when he declared Japan was willing to donate up to \$100m (£80m) to relieve African suffering, the funds to be disbursed through the World Health Organisation. This money has yet to be advanced and it remains unclear if special assistance to Ethiopia will come out of this allocation.

The power of the Japanese Government to mobilise public opinion is considerable. It is the sometimes latest generosity of the Japanese public. Mr Abe, in undertaking the sort of personal mission by which the Japanese often set so much store, seems to be endeavouring to marry the two and thus refuting a suggestion that Japan is excessively self-centred.

ship with Mr Tanaka, but have lacked the power to undo it. But new Mr Fukuda and Mr Suzuki have been seen to plot together (to advance Mr Nakaido, a Tanaka supporter), drawing into the process right-centrist parties, Komoto and the Democratic Socialists, and thus again hinting at political realignment.

There is, moreover, another important subplot, the apparent closeness between Mr Abe and Mr Takeshita. The inference is of a future collaboration by which they take turns as Prime Minister after Mr Nakasone, having seen off Mr Miyazawa in the meantime. Because it is probably easier for Mr Abe to inherit Mr Fukuda's faction before Mr Takeshita can inherit Mr Tanaka's, it is assumed that the Foreign Minister will get the first crack if the partnership survives. But when is anybody's guess.

The significance of this intricate power game is twofold: first, Mr Nakasone looks like having to rein in his natural impetuosity to the pace of his more cautious colleagues in order to ensure his survival. This means that those foreign leaders such as President Reagan and Mrs Thatcher, who seem to believe he can carry his government with him, may have to lower their expectations. This presages rough going, for example, in looming trade negotiations with the U.S. Second, if the Prime Minister does put a foot badly wrong, either in policy or in personal relations, he could be gone just as suddenly as Mr Suzuki. Politics in Japan, after all, is at bottom a theatre of naked power. What makes it unique is that most of the action is offstage, whispered among prophets and leaders of the docks.

Voest Alpine signs trade deal with E. Germany

By Patrick Blum in Vienna

VOEST ALPINE, the Austrian state-owned steel, engineering and electronics group, has signed a Sch 11bn (£422m) co-operation and trade agreement with East Germany.

The agreement was signed on Monday during the visit to East Germany of Dr Fred Sinowatz, the Austrian Chancellor. It is the fifth agreement signed between Voest Alpine and East Germany.

Co-operation between the Austrian company and the East Germans dates back to 1960 when a first agreement worth Sch 1bn was signed. The latest agreement will run until 1988.

East Germany is the fastest growing market for Austria in Eastern Europe and has become its second largest trading partner in the region. In 1983 Austrian exports to East Germany rose by 77 per cent, due mainly to the delivery of a steelplant by Voest Alpine. Imports from East Germany fell by over 7 per cent to Sch 2.7bn.

Trade between the two countries is expected to grow further this year with exports continuing to rise by as much as 20 per cent.

China launches joint-venture drive

BY DAVID DODWELL IN HONG KONG

CHINA'S biggest-ever push outside the mainland to attract foreign investment was launched in Hong Kong yesterday as delegates from the country's open cities and economic zones began discussions on collaboration in more than 200 projects.

The investment symposium for China's open cities, organised by the Bank of China and a host of Hong Kong companies with mainland links, is intended to underline the role China sees for Hong Kong as the countdown begins to the British colony's re-integration with the communist mainland in 1997.

It has also left manufacturers from Hong Kong and overseas

breathless, as Chinese delegates from cities ranging from Dalian and Qindangdao in the north of China to Beihai and Hainan in the south plunged directly into horse-trading on priority projects after brief introductions held separately in hotels across Hong Kong.

The symposium, opened by Wei Yuming, China's Deputy Minister for Foreign Economic Relations and Trade, will continue for the next seven days. Each of the 19 delegations are holding their own negotiations in different parts of Hong Kong with the aim of signing "concrete co-operation agreements".

Xu Jiatun, head of the New China News Agency, China's de facto consulate in Hong Kong,

emphasised that the territory would play "a unique role in assisting the motherland in publicising and pursuing her policy of openness."

He said China "requires Hong Kong to make its due contributions" by "obtaining the economic information of the world" and tapping its management expertise, capital and technology. In return, he said Hong Kong would prosper as China developed.

Recent suggestions that overseas Chinese "compatriots" were the primary target of China's modernisation drive were given weight yesterday as perplexed European and American business people with no knowledge of the Chinese language struggled to find

interpreters to make contact with delegation members.

In addition, the determination of delegates to get straight down to specific project negotiation implied they expected prospective investors to have the sort of detailed knowledge of the open cities and their distinctive strengths that few but regular overseas Chinese business visitors to China have.

● Sir Lindsay Alexander, chairman of Lloyds Bank International, inaugurated the bank's office in the Shenzhen economic zone on Monday. The bank has already arranged a \$64m syndicated loan for a wharf and commercial complex in the Zhuhai zone and financing for two projects in Guangzhou.

First for Davy McKee in West Germany

By John Davies in Frankfurt

WITH THE pace of anti-pollution control increasing in West Germany, the UK-based Davy McKee engineering group has made a breakthrough with an order for its Wellman Lord desulphurisation process, until now applied mainly in the U.S. and Japan.

The process will be used to reduce sulphur dioxide emissions from a coal-fired power station operated by BASF, the chemical concern, in Ludwigshafen. The order is a small but central part of an anti-pollution project in which BASF plans to invest about DM 200m (£34m) by 1988.

West German publicly-owned electricity utilities plan to spend between DM 10bn and DM 15bn by 1988 to comply with a law requiring desulphurisation controls at coal-fired power plants.

The Davy McKee process will enable BASF to extract sulphur dioxide from its power station emissions for diversion into further chemical uses.

Davy McKee gained its first European order for the Wellman Lord desulphurisation process last year for installation at an oil-fired power plant in Australia. The BASF order follows Davy McKee's decision recently to restructure its West German operations.

Argentina pressed to buy more Soviet goods

BY JIMMY BURNS IN BUENOS AIRES

THE SOVIET UNION is pressing for Argentina to import more Soviet goods before committing itself to a renewal of the five year grain and meat supply agreements between the two countries which are due to expire next month.

The future scope and scale of the agreements are understood to have been at the centre of talks between local officials and a high level Soviet mission led by Mr Alexei Manzhulo, the Soviet Deputy Minister for Trade.

Mr Manzhulo, formerly a commercial counsellor in Buenos Aires, is understood to have forcefully voiced his country's dissatisfaction with the continuing imbalance in Soviet-Argentine trade and to have suggested concrete ways of narrowing the gap.

One idea apparently mooted was that the current supply agreements should only be renewed if they include a commitment from the Argentines to increase their annual purchase of Soviet goods to a

minimum value of \$300m. In 1983 Argentine exports to the Soviet Union were \$1.8bn compared to imports of \$31.5m. Provisional figures for the first quarter of this year show a similar imbalance with exports of \$625m against imports of \$15m.

Although no firm agreements appear to have emerged from the talks, Argentina is understood to be considering speeding up a decision on a \$400m turbines contract for the Piedra de Aguila hydroelectric project.

The Soviets are also bidding for the main building contract involved in a planned extension of the Mitre railway line, from Buenos Aires to Rosario, and for the sale of 600,000 tonnes of crude oil for refining in Argentina and eventual re-export to Brazil.

The current supply agreements between the two countries guarantee Argentine farmers a minimum annual sale of 4.5m tonnes of coarse grains and oil seeds to the Soviet Union in addition to meat sales

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AMERICAN NEWS

Pinochet reshuffles Cabinet after resignations

By Mary Helen Spooner in Santiago

GENERAL AUGUSTO PINOCHET of Chile has reshuffled his Cabinet following a mass resignation on Monday led by Sr Sergio Jarpa, the Interior Minister, in the regime's second Cabinet crisis in barely ten months.

The Government said the resignations were not irrevocable and that most officials, including Sr Jarpa, would continue in their posts. The Interior Minister took office in August last year leaving his post as a hard-line military officer.

He spearheaded the regime's limited liberalisation effort but has been frustrated by the opposition's increasingly militant stance and by the recent outbreak in terrorist activity.

Sr Jarpa, in announcing his decision to resign, spoke of a feeling of personal failure and attributed his move in part to a recent meeting in Rome between a delegation of the country's Catholic bishops and a group of left-wing Chilean exiles.

Citing the increasing number of terrorist attacks in Chile, Sr Jarpa said he could not bear the notion of Chilean bishops "who up till now appeared as the guardians of peace and understanding" standing alongside Communists.

The Chilean bishops' conference responded by issuing a statement expressing surprise at Sr Jarpa's remarks and reiterating their condemnation of terrorism.

Few political observers in Santiago were surprised by the Cabinet reshuffle. Leaders of Chile's largest opposition group, the Democratic Alliance, have come to view Sr Jarpa's appointment last year as an attempt to buy time on the part of the Pinochet regime, rather than a serious effort at liberalisation.

The Cabinet shake-up comes after weeks of speculation that Sr Jarpa and Sr Luis Escobar, Finance Minister, would soon leave their posts.

Sr Escobar has had policy disagreements with Sr Modesto Collados, the Economy Minister, and is being blamed for last month's 8.2 per cent consumer price index rise.

David Gardner in Managua looks at the political background to the victory of Nicaragua's ruling party

Sandinistas set for reconstruction on wave of popular support

PERHAPS the most remarkable thing about last Sunday's Nicaraguan elections was not the result—a widely predicted victory for the ruling Sandinistas—but that they took place at all. In modern times, no other revolutionary movement which has seized power by force of arms has gone on to hold serious elections.

Most observers not overtly sympathetic to the Sandinista Party, the FSLN, saw the polling process as technically orthodox and clean, within fair rules. The full range of Nicaraguan opinion, except incitement to armed opposition, was aired, whether in or outside the campaign proper. There is little doubt, moreover, that the Sandinistas retain the support of the majority of Nicaraguans.

The real problem in guaranteeing a fair election here, however, is that over the past years, the FSLN has filled the institutional vacuum it was bequeathed to a point where party—or, more accurately, movement—and state has become near synonymous. The army, police, neighbourhood defence committees, which sprang up during the revolution, and the television, all bear the name Sandinista and are under FSLN control.

The opposition was neither organised nor coherent enough to resist this tendency and remains feebly divided on what to do about it.

This development could, for a long time, be ignored while the country was distracted by other issues. Attention has centred on the need to rebuild the economy, through the highest investment rate in Latin America of yearly increases averaging 22 per cent in 1979-1983; on building health and education standards through two popular mass mobilisations; and on the very real threat from the Contras, who have now spread the war to 11 of the country's 18 departments, killed some 7,300 people and caused an estimated \$500m (£397m) damage.

Additionally, the mixed economy model adopted by the Sandinistas, which still gives the public sector a less than 40 per cent share in national output, has produced a powerful consensus.

Similarly, the FSLN has managed to retain the loyalty of a significant slice of the large farm industry, which continues to invest.

But not the least important is that many Nicaraguans enjoy wider liberties now than they had under the Somoza dictatorship and the overwhelming majority share in the newfound pride of being a sovereign, independent nation.

At the final FSLN campaign rally of some 150,000 Managuans last week, Comandante Daniel Ortega, Nicaragua's new president and former junta

leader, offered the crowd a bellicose speech, containing little more than "sovereignty and dignity and austerly," as one commentator put it, referring to the country's most staple dish of rice and beans. The crowd roared its approval.

But though the nationalist hero, Gen Augusto Cesar Sandino, seen by all Nicaraguans as the precursor of national independence, is at the centre of the FSLN trinity, he is flanked by Marx and St Paul, as one Sandinista writer phrased it. The mix is a potent one and has cut the ground out from underneath the Left, on the one hand, and Christian Democracy, a powerful force in

the region, on the other. Nicaragua's Christian Democrats are split into three small groups: one which has been in informal alliance with the Sandinistas, one with the Coordinadora Democrática coalition party, and one with the U.S.-backed Contras. The Left is split into two orthodox Communist and one Maoist party, with some union influence but little political projection.

The Right-wing Coordinadora Democrática, regarded increasingly by the Sandinistas as an internal political front for the U.S.-backed Contras, refused to take part in the election.

The opposition showed no sign during the campaign that it might be able to rally behind anything like the breadth of support the Sandinistas enjoy. The odds facing the opposition in the short term are fearsome. As a result, the centre and right is dividing between the institutional option of trying to build on the space opened by these elections and the institutions they give rise to, and the confrontation option.

The conservative Catholic Church hierarchy, perhaps the most powerful internal opposition force, does not yet appear to have made up its mind on a course of action.

The two traditional parties, the Independent Liberal and Conservative Democrats, have

portionately fewer people have voted in the interior of the country. The vote for the Sandinistas has been lower than average in these regions which have been centres of U.S.-backed guerrilla operations over the past two years.

In a military operation over the weekend, Cdr Enrique Schmidt, Communications Minister, died while in temporary command of a special forces unit. The Ministry of Interior said 73 guerrillas were killed during the action, destroying an entire guerrilla unit.

splinters already in the Coordinadora, and further split 10 days prior to the polls over whether or not to stand. But despite these divisions early results gave each of the factions that did run 11 to 13 per cent each.

The Sandinistas are acutely aware of the dangers of the opposition going underground. Party in response, they have set up a National Dialogue of all the parties to function in tandem with the more narrowly based constituent assembly.

The war has a good deal to do with the FSLN's monopoly of state institutions. The Sandinista background is more one of a military organisation which has tended to improvise on ideology than of a hardline Leninist organisation intent on a one-party state. The war has kept armed Sandinismo in a state of almost permanent mobilisation. But the wide spread belief among its leaders that the U.S. might intervene directly to topple them appears genuine and not a pretext for maintaining their monopoly.

The FSLN has also shown a capacity for self-criticism and for adjustment; for example, on the direction of agrarian reform and on its arrogant mishandling of the resettlement of the Miskito Indians on the Atlantic coast. It must also be the one army which does not shoot deserters in time of war.

On the anniversary of the invasion of Grenada, there has been some debate in Managua about the bloody struggle inside Maurice Bishop's New Jewel Movement which led to the U.S. intervention. A significant outcome of such discussion is the conclusion that revolutionary movements are not exempt from having to justify their actions in pluralist competition at the polls.



Daniel Ortega... opposition to him neither organised nor coherent enough.

Shell Oil abandons deep water drilling in Atlantic

BY WILLIAM HALL IN NEW YORK

THE SEARCH for oil off the U.S. Atlantic coast has suffered a serious setback following Shell Oil's decision to abandon its ambitious deep-water drilling programme. The project is estimated to have cost it close to \$250m (£203m).

Shell Oil, which has one of the best reputations among U.S. oil majors for finding oil, announced its decision after encountering its fourth dry hole about 110 miles south-east of Atlantic City.

It has been drilling in the area since August 1983 and has been setting successive world records in terms of depth. The last well at Baltimore Rise

Block 93 was sunk in water depths of 5,017 ft and reached 17,740 ft below sea level.

In 1981, Shell spent \$157m and its partners spent another \$109m in acquiring offshore tracts in the mid-Atlantic. It said that its first dry well cost it \$35m and its second well cost about \$30m.

The area is regarded as one of the frontier areas of the U.S. oil exploration business.

Shell has been the only big oil company drilling in the Atlantic and while the prospects were not regarded as good as some other areas, its decision to abandon its programme is a serious disappointment for the U.S. oil industry.

Fed breaks silence on policy

BY PAUL TAYLOR IN NEW YORK

MR PRESTON MARTIN, vice chairman of the U.S. Federal Reserve Board, took the highly unusual step yesterday of commenting on the Fed's monetary policy on a U.S. election day.

His comments also came 24 hours before the Fed's policy-making Federal Open Market Committee (FOMC) was due to meet.

Mr Martin, speaking to a U.S. Stock Exchange meeting in New York, said the Fed had adopted a "steady as you go" approach to U.S. monetary policy incorporating a "somewhat accommodative stance" which, he said, was more appropriate as the expansion period of the U.S. economic cycle "becomes a bit more mature."

His comments ended a period

of apparently deliberate silence by senior Fed officials during the run-up to the U.S. elections. The silence, seen as an attempt by the Fed to stay out of the election debate, continued despite "jawboning" attacks by senior administration officials during the past ten days on the Fed's tight monetary policy.

Wall Street has been ablaze with speculation about the Fed's monetary policy — speculation which came to a head on Monday when Wall Street economists read the Fed's unexpected injection of reserves into the banking system as a signal of a further slight easing "nudge" by the U.S. monetary authorities.

Mr Martin, a Reagan appointee

who has, on several occasions, found himself in a minority on the FOMC and has publicly criticised Fed monetary policy for being too tight, said yesterday that the Fed was seeking to help the economy achieve "the so-called soft landing."

He said the Fed has focused on monetary aggregates as opposed to the monetary base in determining monetary policy. Mr Martin added that he felt "reasonably optimistic" about the level of U.S. inflation. On the dollar he believed the Fed would work to "maintain orderly markets, but not attempt to dictate what level the dollar would reach."

FOMC is due to meet behind closed doors today in what is seen as a particularly important meeting.

Contadora group may ask Europeans to join peace bid

BY HUGH O'SHAUGHNESSY

EUROPEAN military observers may be asked to join Latin American troops in the verification of the peace process in Central America, according to diplomatic sources in Europe and the U.S.

Final details of arrangements for arms reduction and the evacuation of foreign troops from Central America is expected later this month when the four governments of the Contadora group — Mexico, Panama, Colombia and Venezuela — publish the final draft of their peace proposals for the area.

Though the U.S. is not a member of the Contadora group, the Administration has been

pressing for a more effective verification of the withdrawal of Cuban troops from Nicaragua. The Contadora group has discussed with various European governments the deployment of their military personnel, particularly to monitor border violations.

France and the Netherlands have been tipped as likely European participants in the peace keeping operation. British personnel are unlikely to take part.

It has not yet been decided whether the operation would be carried out under the aegis of the UN or as a collective initiative by the Contadora and the Western European participants.

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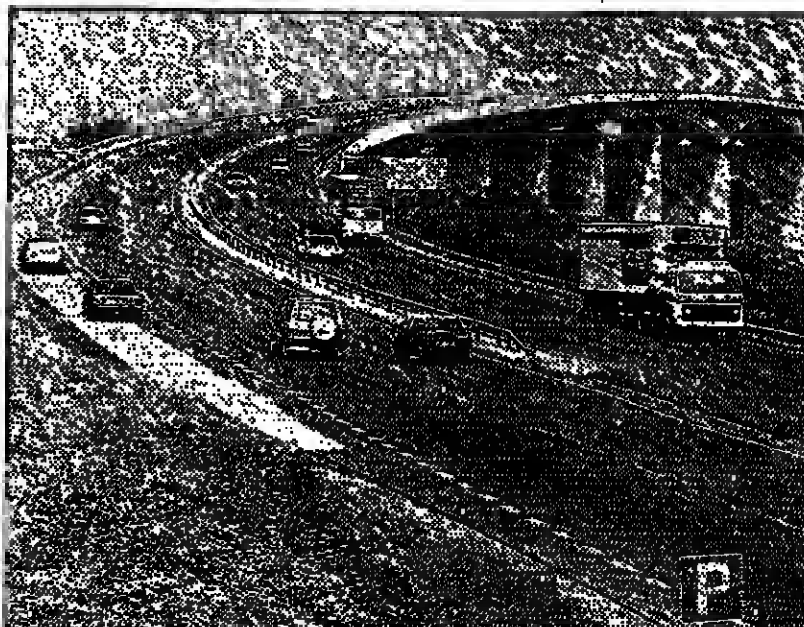
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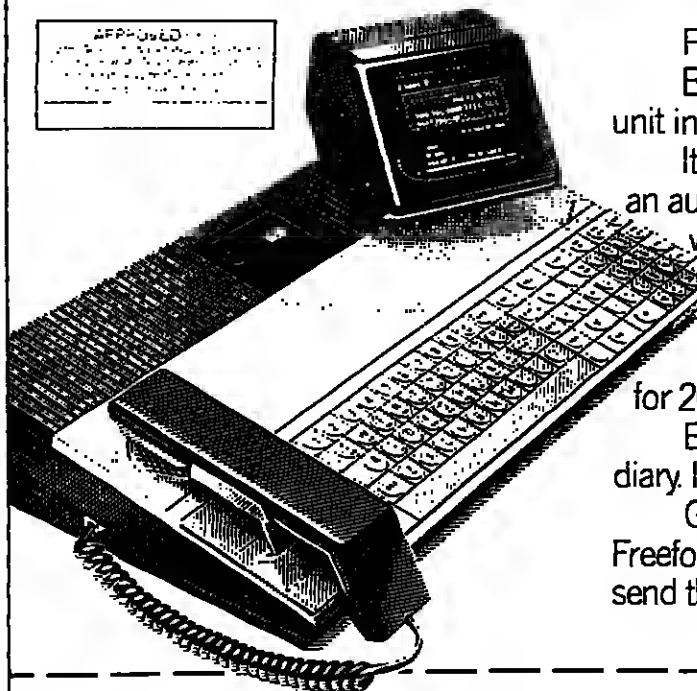
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Thatcher appeals for end to miners' stoppage

BY PETER RIDDELL AND JOHN LLOYD

MRS MARGARET THATCHER, the Prime Minister, yesterday appealed to the leadership of the National Union of Mineworkers (NUM) to end its coal strike "for the sake of the mining industry, for the sake of mining communities, for the sake of every miner and his family."

Her remarks, in the House of Commons debate on the Queen's Speech, reflect the growing confidence of ministers on Tory backbenchers about the outcome of the eight-month-old dispute.

Most of the Government's doubts of two or three weeks ago have now disappeared after the settlement with the pit supervisors' union Nacods, the disclosure of the NUM's links with Libya and the evidence of some return to work by striking miners.

After Monday's "surge" of over 800 men who reported for work for the first time since the start of the dispute, another 411 men returned yesterday, bringing this week's total of "new faces" to 1,279. It does indicate a considerable change in the rate of return, after many months when the trend was negligible.

These facts have overshadowed the Government's private doubts about the conduct of Mr Ian MacGregor, the chairman of the National Coal Board (NCB). The public divisions within the board surfaced again yesterday when Mr Geoffrey Kirk, the NCB's director of information, openly criticised some of its management practices.

It was confirmed yesterday that he would be taking early retirement at the end of the week.

Mr Kirk said of the chairman: "It may be that he resents someone who questions his judgment." He confirmed that he had three separate disagreements with Mr MacGregor over 10 days. He added that, after Mr MacGregor's long career in America, "maybe he is not accustomed to having people question his decisions and point out the consequences of them."

The Prime Minister told MPs that she had "every confidence in Mr MacGregor," citing his ability to win contracts for the industry.

The main theme of her speech was the "reasonableness" of the current offer to the miners and her belief that "the National Coal Board

has no room for any further movement." She said: "A settlement which preserves the NCB's right to manage and which meets the unions' reasonable concerns can be reached."

Mrs Thatcher said that the NUM had now the choice between continuing "to manipulate the loyalties and exploiting the fears of those who are on strike or accepting the offer which represents the best investment programme ever, the best ever guarantee of employment and the best ever early retirement terms."

She believed "scores of thousands of miners in addition to the one third of miners who are now at work, are longing to accept this offer."

Mr Neil Kinnock, the leader of the opposition Labour Party, met with criticism yesterday from the left-wing of his party for his decision not to attend any of the five mass rallies being organised by the NUM. A statement, issued with the names of 45 MPs, called on "all members of the parliamentary Labour Party... to give absolute priority" to the NUM.

Assets will remain frozen in Ireland

BY BRENDAN KEENAN IN DUBLIN

FUNDS belonging to the NUM in a Dublin bank are to remain frozen until the Irish courts have decided the full issue of whether the British sequestration order against the union can be applied in the Irish Republic, an Irish High Court judge decided yesterday.

That decision is believed to be in the U.S., according to sources involved in the Irish litigation.

The court heard that the NUM began transferring funds to Ireland last March but that £5m has since been transferred again to an undisclosed destination.

The union now has £2.75m lodged in a Dublin branch of Bank of Ireland Finance, and Mr Justice Barrington said it should remain frozen in the meantime in order to preserve the status quo. He rejected an application on behalf of the union to lift the temporary injunction granted to the sequestrators - accountants Price Waterhouse - at a special hearing in his home on Sunday.

The NUM first transferred £5m from a Midland Bank subsidiary in the Isle of Man to the Bank of Ireland Finance on March 14. On the same day £200,000 was paid from the account to the union's superannuation fund in London. In all, £8.5m was transferred to Dublin. Sequestration of the union's assets was ordered after the NUM failed to pay a £200,000 High Court fine for contempt of court.

Judge orders unions to end Austin strike

BY ARTHUR SMITH, MIDLANDS CORRESPONDENT

LEADERS of the strike by 28,000 workers at Austin Rover, state-owned BL's volume car division, have been called to an emergency meeting in Coventry today to consider whether to defy a High Court order to call off their action.

Austin Rover was granted an injunction in the High Court yesterday requiring six trade unions involved in the dispute to withdraw their strike call until a secret ballot has been held. The action was brought under the new Trade Union Act.

Three other unions, the engineers foundry men and the electricians, were granted an adjournment on the hearing until tomorrow.

The strike, which began on Monday, is over Austin Rover's 10.2 per cent pay offer over two years.

The judge gave the unions until 8.00 last night to comply with the order. But the deadline passed without any change of instructions from the Transport and General Workers Union, which represents the bulk of the workforce.

The executive of the Amalgamated Union of Engineering Workers, which was in session all day, refused to make any comment. But Mr Ken Cure, the executive member responsible for Austin Rover, has made it clear he believes a strike will serve no purpose.

Austin Rover holds the initiative in deciding whether to ask the High Court to enforce the injunction. Failure to comply could place the unions in contempt of court and faced with the risk of heavy fines.

UK almost alone in enforcing ballots

BY PHILLIP BASSETT

BRITAIN STANDS almost alone in Europe in requiring by law that unions should hold ballots before strikes - or face court action similar to that brought yesterday by Austin Rover.

An international study of trade union voting carried out by the Industrial Relations Services research group, finds that no other European country requires pre-strike ballots to be held such a long time before the strike itself is called - four weeks under the UK Government's Trade Union Act 1984.

The survey examines union balloting in all the member states of the EEC, the three principal non-EEC Scandinavian countries, and Austria, Portugal and Switzerland.

It finds that "only in the UK and Greece are union rules directly covered by statutory provision." In most countries - Austria, Belgium, Denmark, West Germany, Finland, Italy, Luxembourg, Norway, Portugal and Sweden - there is no statutory control. In France, Greece, Ireland, the Netherlands, and Switzerland there are differing elements of statutory control.

The relationship of the law to strike ballots is broadly as follows:

- Austria. Strike decisions are based solely on union rule books. Decisions to call strikes must be ratified by union executives.

- Belgium. Rule book based. In most unions, the executive will decide to call a strike after a two-thirds membership vote in favour.

- Denmark. There is a legal requirement to ballot in cases of conciliation, and if votes against outweigh those in favour, or if votes against exceed 35 per cent of those entitled to vote. Rejection of conciliation normally indicates a strike warning, as laid down in central agreements.

- West Germany. Ballots are required under union rules to begin, continue or end a strike. In IG Metall, the largest union, a 75 per cent majority is required. But ballots

laid down in collective agreements have legal force.

- Finland. A majority of two thirds is required at a meeting before a strike may be called. Rule book based.

- France. Rule book based. No ballots required.

- Greece. Law requires a simple majority in the private sector and the Civil Service and an absolute majority of registered voters in the public sector before a strike may be called.

- Ireland. Rule-book based. Simply majority of votes cast in largest unions required to begin or end a strike.

- Italy. A union normally declares a strike. No vote is required among members.

- Luxembourg. In general, union rules say that any vote on starting or ending a strike should be taken by ballot among the members concerned.

- Netherlands. Type of majority required to call a strike depends on union rulebooks - usually through a show of hands, but ballots are used in some industries.

- Norway. Strikes must be approved by the central union involvement. No balloting, with one exception: if a wage agreement, recommended by the union, is rejected by union members, a simple majority of votes cast will sanction a strike.

- Portugal. Rule book based - simple majority required.

- Sweden. Similar provisions.

- Switzerland. Majorities depend on individual rule books, but two thirds of votes cast is usual.

Men and Matters, Page 18

Mercury to extend telecom network

MERCURY Communications, the private company which is competing with British Telecom to provide telecommunications services, plans to extend its network to Wales and Scotland and to North Sea oil rigs.

Until now Mercury's plans have concentrated on a "figure of eight" loop it is building in England. Mercury's operating licence, which is expected to be published tomorrow, will require it to extend its network to Glasgow, Edinburgh, Cardiff and Newport within five years.

Earlier this year Mercury strongly opposed Government pressure for it to provide a national service as soon as possible, including remote areas. Mercury won the argument. The draft licence published in July only required Mercury to provide services to 15 key cities in England within two years.

The only requirement after that was for Mercury to extend its activities as far as was commercially practical. Since the draft licence was published the Government has come under pressure from Scottish and Welsh interests concerned at the absence of the network from their countries.

Mercury now believes there is greater commercial potential from the large Scottish and Welsh cities than it first thought. It is understood to be happy with the change in the licence.

Although British Telecom retains its monopoly to provide maritime telecommunications services, Mercury will also be able to offer services to fixed offshore oil rigs. This will not apply to moveable exploration rigs.

Mercury believes that now it has an agreement on the licence - which requires parliamentary approval - most of the commercial obstacles have been overcome. It has recently reached an out-of-court settlement with the Post Office Engineering Union which had at one stage refused to connect Mercury to private exchanges. Problems on planning permission for microwave towers have also largely been solved.

Mercury says it has 50 commercial contracts. Customers include stockbrokers Phillips and Drew, the London Stock Exchange and Cable and Wireless, its parent company.

THE BANK of England and Johnson Matthey Bankers have been served with papers in an action for £300m in damages sought by Mr Mahmood Sipra, the shipowner whose companies JMB is trying to wind up.

The action, initiated in the U.S. courts, alleges breach of promise and contract by JMB and accuses the Bank and JMB of seriously damaging Mr Sipra's business interests. The Bank of England declined to comment last night.

There were also signs yesterday that the Bank was moving closer to agreement with a group of banks. It has asked them to participate in a £100m package of guarantees to cover further losses at JMB, which belongs to the Bank of England since its near collapse a month ago.

A deal under which the banks will agree to provide guarantees in exchange for a share of the profits when JMB is sold off again may be concluded in the next few days.

SCOTLAND'S oil technology industry has received a boost with the announcement by Texas-based Gearhart Industries of a \$12m project in Aberdeen, providing an initial 30 jobs and a further 70 within three years.

Gearhart intends to open a 25,000 sq ft complex to house its North Sea service operations, a training school and a regional technical support unit.

DAN-AIR, the independent UK airline, has bought a third BAe 146 four-jet regional airliner from British Aerospace, for £11m. The aircraft is already in service, having been used this summer on lease by Dan-Air.

The aircraft is based at Newcastle and flies between there and Amsterdam, Bristol, Cardiff and the Channel Isles. British Aerospace has now delivered 23 146s to seven operators in four continents. Total orders and options amount to 79 aircraft.

CONTINENTAL ILLINOIS is to wind down its London-based international investment management business as part of the restructuring of the bank since its recent crisis.

Five of the key staff, including three executives and two assistants, have transferred as a team from Continental to County Bank, the merchant banking arm of National Westminster Bank. They include Mr Geoffrey Osmint, who compiled Continental Illinois' annual ranking of London stock analysts.

Men and Matters, Page 18

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UK NEWS

Chemicals expect slowdown

BY CARLA RAPOPORT IN LONDON

THE BRITISH chemical industry has fared better than expected in 1984, but the sector is now preparing for a slowdown in growth because of new competition from the Middle East and an overall decline in economic growth worldwide.

This is the main conclusion of the autumn quarterly economic bulletin of the Chemical Industries Association (CIA) released this week. The UK chemical industry, with sales of £18bn (\$22bn) a year, is Britain's fifth largest industry and the fifth largest chemical industry in the world, outside the Eastern bloc. The bulletin states that chemical industry in Britain staged growth of 4.5 per cent in the first 7 months of 1984, compared with the same period in 1983.

This compares with a rise of 2.2 per cent for manufacturing industry generally.

The CIA reports that some of its member companies have been more optimistic than the official figures and "suggest that there is still an underlying trend of improvement overall." At the same time, commodity petrochemicals and plastics may have passed the peak of the current cycle, the CIA notes. "At worst, output is thought to have plateaued," the bulletin states.

Although the rate of increase of imports has flattened somewhat, the bulletin shows the level of import volume in the first 8 months of the year as 18 per cent higher than the same period last year. Imports now account for 39 per cent of UK demand for chemicals.

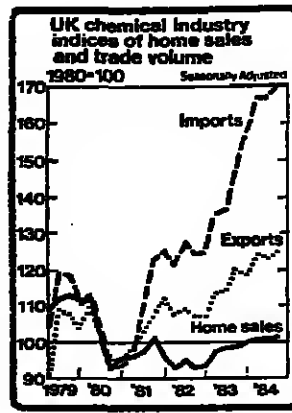
Prices for chemicals and plastics have been improving this year, but the CIA states that there has been some weakening in commodity plastic prices since the first quarter.

Polyethylene prices in particular are reported to be "under pressure" as the first of the Middle East petrochemical plants come on stream ahead of schedule this year.

These plants have been built by Saudi Basic Industries Corporation (Sabic) with the aim of converting the nation's previously flared natural gas into petrochemicals for world markets.

Mr Stuart Wamsley, a chemical analyst at W. Greenwell, the London stockbroker, has stated that the recent price weakness in plastics and chemicals has "reached worrying proportions."

Writing in his weekly newsletter, Mr Wamsley notes that while demand is currently not a major problem for the industry, factors such as the weakening crude oil price, coupled with growing fears about the



impact of Saudi Arabia, are "overriding the normal logic that rising demand should signal rising selling prices."

Price harmony rules will end traffic in 'personal' car imports

BY KENNETH GODDING, MOTOR INDUSTRY CORRESPONDENT

BRITISH CUSTOMERS would no longer be able to buy cars at pre-tax prices in Belgium, Denmark and Greece under the terms of the latest price harmonisation proposals put forward by the European Commission.

This major change to the existing rules is made clear in guidelines issued with the latest draft regulation which the Commission hopes to finalise by the end of this year and to bring into operation about six months later.

The UK Consumers' Association said yesterday that it would result in British car buyers having to pay hundreds, possibly thousands, of pounds more for cars bought on the European continent for personal import to Britain.

The association said: "We regard this as a major - and totally unacceptable - change in the interpretation of the regulation. It will result in a two-tier European Community with Denmark, Belgium and Greece becoming protected markets, effectively subsidised by car buyers in the other seven EEC member states."

The association urged the UK Government "to oppose this major change in the interpretation of the regulation which would drastically undermine the potential benefits that car buyers would otherwise gain from the regulation."

The commission's guidelines state that a manufacturer would not have to supply cars with foreign specification at the local pre-tax prices in those markets where the retail price includes more than 100 per cent of tax (which would at present exclude Denmark and Greece).

or where there have been price controls for more than one year (which would exclude Belgium, the country most favoured by British "personal" importers).

Instead, a manufacturer would be obliged to supply at the lowest price charged among those EEC markets without high-tax or price-control distortions. The manufacturer could also add an extra charge for such things as administration and distribution costs but would have to be prepared to justify this.

The association has told the UK Government that if the provision is retained it would be preferable to base the price charged in the "distorted" markets on the average price charged throughout the Community - including those countries with high tax or price controls.

BL leads Ford in sales for October

By Kenneth Gooding, Motor Industry Correspondent

AN INCENTIVE campaign which offered dealers extra bonuses of up to £200 a car helped BL topple Ford from the top of the UK car sales league table in October.

The campaign gave Austin Rover state-owned BL's volume car subsidiary, a flying start to last month because it ended on October 12. Dealers scrambled to meet their sales targets by that date.

As a result, BL ended October with a market share of 23.2 per cent compared with Ford's 19.02 per cent. However, BL's performance for the first 10 months is still lagging that for the same period of 1983.

Its market share is down from 18.11 per cent to 17.99 per cent and its volume of sales has slipped from 289,499 to 281,388.

Ford is in a similar position with its penetration reduced from 28.88 per cent to 27.75 per cent over the 10 months and its volume down from 481,703 to 474,032.

Both Ford and BL have been suffering mainly because of General Motors' advance in the UK. The share of its subsidiary Vauxhall Opel is up from 14.45 per cent to 16.18 per cent for the 10 months.

In October, GM was hit by the two-week strike at its UK car plants which left it short of some cars, particularly the Vauxhall Astra, for which there was a backlog of 2,000, according to the company.

The Japanese manufacturers have been striving to maintain their unofficial quota and in October achieved a market share of over 15 per cent.

The Society of Motor Manufacturers and Traders says that new car registrations in October at 123,889 were down by 8.1 per cent from the same month of 1983 and brought the total for the first 10 months of this year to 1,563,860, 2.2 per cent down on the same period last year.

Importers won a 80.5 per cent share of all sales in October (80.7 per cent in October 1983). Over the 10 months, the importers' penetration rose from 57.35 per cent to 57.58 per cent.

The best-selling cars in October were the Austin Metro (11,400 sold); Ford Escort (8,527); Austin Maestro (7,000); Vauxhall Cavalier (6,855); Ford Sierra (4,970); Ford Fiesta (4,537) and Austin Montego (4,371).

Newspaper supplies to be investigated

BY DAVID CHURCHILL, CONSUMER AFFAIRS CORRESPONDENT

THE OFFICE of Fair Trading (OFT) is carrying out a wide-ranging review of the newspaper distribution industry after complaints from retail newsagents that some wholesalers refuse to supply them with newspapers.

The review follows a report by the Monopolies and Mergers Commission in 1978 which concluded that the traditional system of newspaper distribution, involving wholesalers supplying newsagents, was in the public interest.

Sir Gordon Borrie, director-general of fair trading, told a meeting of the Newspaper Society in London last night: "This review is timely in view of the apparent changes over the last few years since the commission's report."

In particular, the OFT is anxious to ensure that the system of newspaper distribution does not prevent supplies reaching retailers other than newsagents who want to sell newspapers. Some small convenience stores, petrol stations and supermarkets are understood to want to sell newspapers but are finding it difficult to obtain supplies.

The review will seek comments from newspaper wholesalers, retailers, publishers and trade associations. The review is expected to take several months to complete.

and the OFT has not yet decided whether its results will be published.

Sir Gordon emphasised last night that retail newsagents who had found difficulty in obtaining supplies from wholesalers should follow the commission's advice and complain to newspaper publishers. However, referring to cases where it was a local newspaper publisher which was refusing to supply direct to a retailer, Sir Gordon said: "We have taken the view that the criteria employed by wholesalers in deciding whether or not to make supplies available should also apply to publishers of local newspapers."

These criteria are broadly that retailers are selected on the basis of their location and of the standard of service they provide.

Sir Gordon also criticised the practice of some wholesalers to rationalise the areas of the country they cover. "In principle, it seems to me an unhealthy development when wholesalers agree not to compete with each other over wide areas of the country."

Since the commission's report was published, he added, "rationalisation schemes have continued to grow and spread and my staff engaged on Restrictive Trade Practices Act work are monitoring the situation closely."

Britain 'not lax' over nuclear safeguards

BY DAVID FISHLOCK, SCIENCE EDITOR

BRITAIN IS not more lax than other nations, such as the U.S., over standards of public exposure to nuclear industry radiation, the Government's watchdog on radiation exposure have concluded.

All countries, including the U.S. with which Britain has sometimes been compared, operate to the same basic radiation standard, a new study by the National Radiological Protection Board concludes.

Differences arise in the way in which countries apply the basic standard for dose limitation, as laid down by the International Commission on Radiological Protection. "Differences in concept make it difficult to make comparisons, and that is where people have got trapped," Mr John Dunster, the board's director, said yesterday.

With the single exception of the Sellafield reprocessing factory of British Nuclear Fuels, in Cumbria, estimated radiation doses for the general public from nuclear plants are at least a factor of 10 lower than the dose limits recommended, the report says.

In the case of Sellafield, doses are about a fifth of the recommended limit, but the company is taking steps to get it down to a tenth, to leave ample margin for any unscheduled leaks, within the permitted limits.

Britain differs from the U.S. in that it measures the radiation from each individual nuclear plant, and verifies that it falls within the limits.

The U.S. tends to take clusters of related activities and verify them as a class.

Even Trawsfynydd, in north Wales, the worst of the British nuclear stations, because it is cooled by a lake whereas all others are cooled by the sea, still exposes people to no more than 3 per cent of the international dose limit.

Other British nuclear stations are less than 0.1 per cent of the limit, according to Mr Dunster.

Similar differences in approach are expected initially in setting up new repositories for nuclear waste in different countries. The report suggests, however, that, with guidance from such international bodies as the International Atomic Energy Agency and the International Labour Organisation, a more unified approach to public radiation protection standards may emerge.

Mr Dunster said that, after the publication of the Black report on radiation from Sellafield, last summer, his scientists had been trying to identify previously unforeseen pathways for plutonium to reach local children.

The Black report investigated Yorkshire TV allegations that Sellafield's radiation was the cause of a "cluster" of leukaemia in children at the nearby village of Seascale.

A review of environmental radiation protection standards, NRPB-R 168, by C. R. Hemming and R. H. Clarke.

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The Morecambe gas field lies about 26 miles offshore from Blackpool and, with an estimated 5 trillion cubic feet of gas in reserve, is one of Britain's largest offshore gas fields.

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HOW THE GAS PEOPLE ARE PUTTING SOMETHING AWAY FOR A RAINY DAY

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When fully operational, this £600 million development will be capable of supplying a billion cubic feet of gas a day at periods of peak demand—more than seven times the original output of the field.

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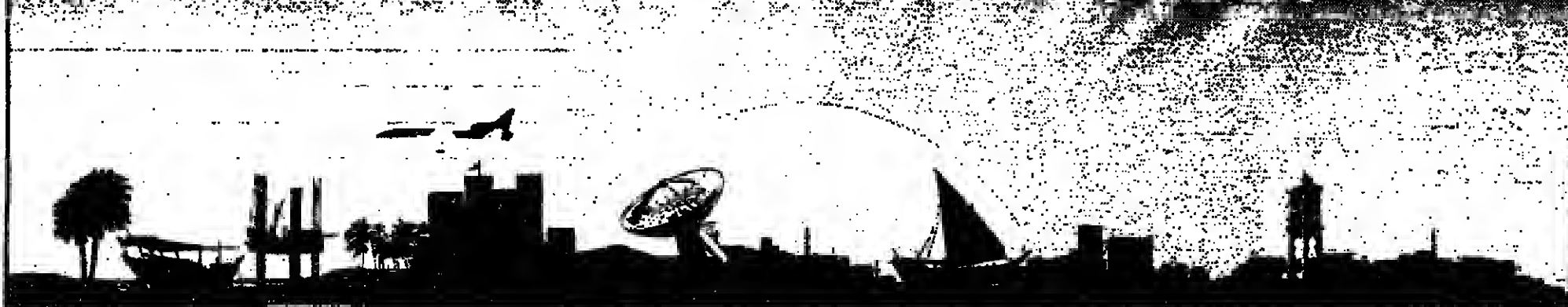
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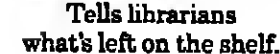
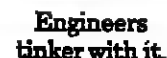
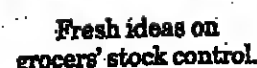
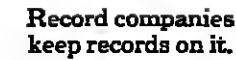
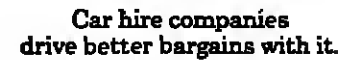
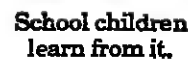
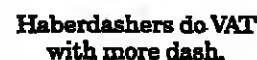
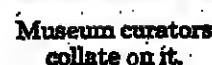
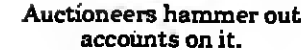
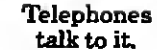
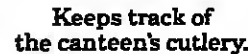
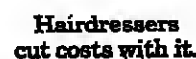
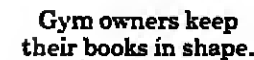
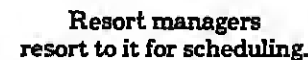
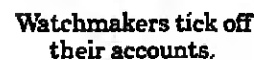
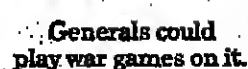
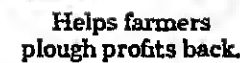
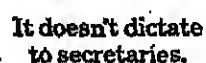
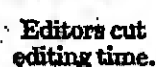
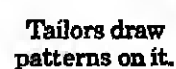
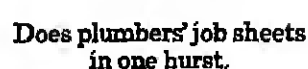
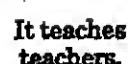
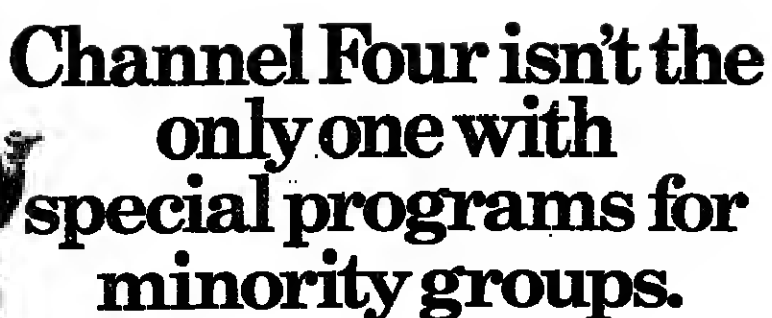
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UK NEWS

The Confederation of British Industry at Eastbourne

EEC worker directives 'will hurt employment'

BY WALTER ELLIS

THE EEC Commission was warned yesterday by senior British industrialists that its controversial draft social directives would "weaken European industry and damage employment prospects."

The industrialists, meeting for the final day of the annual conference of the Confederation of British Industry (CBI), at Eastbourne on the south coast of England, agreed this by an almost unanimous vote. Only Mr John Pardo, a former Liberal MP, abstained.

The Commission's efforts on worker consultation and employee participation in decision-making were dismissed as "social engineering."

Mr Ivor Richard, the European Social Affairs Commissioner, who spoke at the conference, was cast in the role of chief engineer and was told that the proposed Vredeling or Fifth Social Directives were seeking to effect changes that were unnecessary and meddling.

Defending his position, Mr Richard said that his relationship with the CBI was based on trust and understanding. "You don't trust me, and I certainly don't understand you."

The Commission, he said, not only had the right to propose legislation in the social field, it also had an obligation to do so which was clearly set down in the Treaty of Rome.

"Having said this, however, let me say I do not regard myself as a social engineer. Nor do I believe that I am involved in a comprehensive and systematic social engineering policy," he said.

"What I am seeking to do is to help build a Europe which is more efficient and co-operative, which is more profitable and contented."



Mr Richard: defended Commission's proposals

Mr Richard gave two examples of what he said was wrong with the existing social framework in the Community.

"In recent months, we have come across a very large number of cases in West Germany, all involving major multinationals operating in the Federal Republic who have each in their own way reduced the value of the German worker consultation legislation to near zero through the process of taking decisions at headquarters outside Germany and announcing them as *faits accomplis* through the local management in Germany."

"This is something which will happen more and more and therefore calls for a community-wide solution, which in part is what Vredeling is. It is not a problem that can be adequately dealt with by member-states alone nor by voluntary codes of practice, because the bad boys would ignore them."

The commissioner's second example dealt with the reduction and

re-organisation of working time, which he agreed had been "ferociously attacked" by employers' organisations.

"But the essence of their attack," he continued, "does not deal with my proposal. I am not proposing less work for more wages. I am not proposing a reduction in the competitive position of European industry. I am not proposing greater rigidity in the labour market."

"What I am saying is that one way, and I emphasise one way, of dealing with unemployment is by an agreed system of work-sharing. But I have said quite specifically... that work sharing should not produce an increase in unit labour costs and that the maintenance of competitiveness against our trading rivals is of paramount importance."

In the Netherlands, 60 per cent of Dutch workers were now covered by agreements exchanging reduced real wages for shorter working weeks. In Belgium, 3 per cent cuts in real wages had been negotiated in return for a 3 to 4 per cent boost to employment.

The Commission wanted governments to create real jobs, Mr Richard said. One million new jobs were needed in Europe just to enable the workforce to stand still. The Community today faced a pool of excess labour equal to 10 per cent of the labour force, and this threatened to create what the Archbishop of Canterbury had described as an "indecent" society.

Replying for the CBI, Dr James Macfarlane, director-general of the Engineering Employers' Federation, said that no one was disputing Mr Richard's right to propose social legislation. "We just wish he wouldn't do it."

Forceful role urged in public debate on environment issues

BY LISA WOOD

INDUSTRY was urged yesterday to take a more forceful role in putting over its message in the public argument over the environment and its protection.

The resolution at the CBI conference said that although industry spent considerable sums on abating pollution, it was failing to win the argument against "ill-judged and costly environmental regulation."

Mr Richard Lindsell, chairman of ICI Mond division, said: "The introduction of control regulations should be based on verifiable scientific evidence rather than being a defensive response to unsoundly-based public concern."

"Unless we state our case more openly and more convincingly, we will suffer increasingly from political whim and environmental myth," Mr Lindsell said. The CBI was looking for individual companies to continue to achieve real environmental improvements where they were required. As importantly, it was looking for members to enhance industry's reputation by publicly showing what had already been achieved.

The CBI, he said, was to issue a booklet guiding members on how to put over their case on environmental protection. It was also proposed that there should be a programme of self-education to make all employees aware of the significance to them of environmental protection.

"Environmental protection and economic development," he concluded, "have to go forward hand in hand. They cannot be mutually exclusive. Furthermore, environmental protection measures have to be economically feasible."

Mr Michael Noar, of the Federation of Civil Engineering Contractors, said there was a "lunatic fringe" among environmentalists but industrialists had to have a meeting of minds with those environmentalists who were well informed. People, he said, were fed up with heavy lorries going past their doors and more and more countryside being lost. Industry had to take part in the debate.

Mr Michael Bown, of the UK Centre for Economic and Environmental Development, in describing the resolution as defensive and almost apologetic, said the CBI needed to give leadership on the issue.

● Reductions in capital allowances introduced in the 1984 budget were condemned by the conference as "divisive, excessive and a disincentive to investment."

A motion welcoming the Government's recognition of a need for tax reform, and the CBI's decision to produce its own proposals on alternative national and local taxes, was carried unanimously.

● Strong interest was expressed by the conference in not only extending the duration of the Government's Youth Training Scheme but also widening its brief. The conference agreed, despite some doubts over the role of YTS, that the Government should extend the scheme for young people unable to obtain employment after one year's training.

● A CBI study into job creation opportunities in the tourist industry was announced by Sir Terence Beckett, CBI director-general, in his closing speech to the conference.

Scramble for places in the Lloyd's hierarchy

John Moore explains the background of elections to the ruling council of the London insurance market

THREE FARMERS, an estate agent, the deputy chairman of Intasun Leisure Group, a couple of solicitors, a Member of the European Parliament, two insurance executives, a business consultant, the principal adviser to the royal family of Yemen, and assorted company directors will know today whether they have been successful in their attempt to gain places on the ruling council of Britain's premier insurance market, Lloyd's of London.

The Lloyd's elections have become an unusual, and rather colourful affair since major constitutional reforms – the first in more than 100 years – were implemented nearly two years ago. Lobbying is intense among the candidates, the rivalries between them are fierce, and the recriminations for failure lurid.

Until 1982 Lloyd's was governed by a committee of 18. Those elected were drawn from the working members of the Lloyd's market – the insurance underwriters and brokers. The great power houses at Lloyd's and the major families of the market were represented on the committee.

After each successive election members of companies such as Sedgwick Group, C. E. Heath, Alexander Howden, C. T. Bowring, Bain Dawes, Willis Faber, Hogg Robinson group, Minel Holdings – the broker barons – could be found on the Lloyd's committee which was charged with the duty of maintaining the market place for the members and the public.

In theory it was possible for underwriting members who do not work at Lloyd's to seek places on the committee. But they were largely unaware of the opportunity and were never encouraged by working members.

Only about 4,000 out of the 23,500 underwriting members at Lloyd's work in the market. The rest of the membership is drawn from a wide social and business spectrum. Politicians, actresses, businessmen, sports and television personalities and members of the aristocracy all form part of this "outside" membership which pledges its wealth to allow the Lloyd's market to function.

The system of government has changed in Lloyd's. A ruling council has replaced the committee as the governing body. The outside members now have a recognised statutory right, under Lloyd's own private legislation, to have their own representatives on

the council. The council is composed of 28 individuals. Of those serving on the council 18 are drawn from the market, eight from the outside membership.

Three individuals unconnected with the Lloyd's market are proposed for election by the council and their appointments approved by the Governor of the Bank of England. In addition there is an outside chief executive, Mr Ian Hay Davison, who serves on the council as a deputy chairman.

Postal voting has been introduced. However, Lloyd's has been split into two electorates for the purposes of voting. Working members may vote only for working members of Lloyd's to the council while the outside members, or external members as they are known, may only vote for other external members. The two classes of Lloyd's membership cannot vote for each other.

This has led to tension. The insiders at Lloyd's have sought to preserve their influence on the ruling council by attempting to ensure that their chosen candidates from the ranks of the external members are elected.

Two years ago, when the first external members were elected, underwriting agents, who look after the affairs of underwriting members, were actively advising members which way to vote. This time the advice is less obvious, and the lobbying, more devious. Most agents are offering advice only if their members ring them up about the elections.

The Association of Lloyd's members, representing more than 2,200 members, has adopted a more active role in the campaign.

The association, formed to protect the interests of Lloyd's members, has drawn up its own "slate" of candidates who they have considered to be "worthy of support" for the four places available for external members on the council. The four it has named are Mr Julian Byng, a former practising barrister, who is now running a farm and breeding bloodstock on his family estate; Mr Christopher Davidge, a landowner and chairman of var-

ious companies. He is the present incumbent on the council who has had to retire and stand for re-election under the rules; Mr Dennis Fredjohn, another member of the council who is retiring and standing again. He runs a venture capital company.

The other representative it is supporting is Mr Ian Henderson, a chartered accountant who worked for Lloyd's on the development of systems and computer facilities in the 1980s. The association fell foul of the Lloyd's authorities when it insisted that those who were to be chosen for their nominations should undertake to become members of the association. That proposal was abandoned.

In all, there are 17 candidates running for just four places reserved for the external membership. Just eight working members of the council are running for the four places available to working members.

Two of the candidates are from the Sedgwick Group, which is Britain's largest independent insurance broker with some of the most powerful underwriting agency interests in the Lloyd's market.

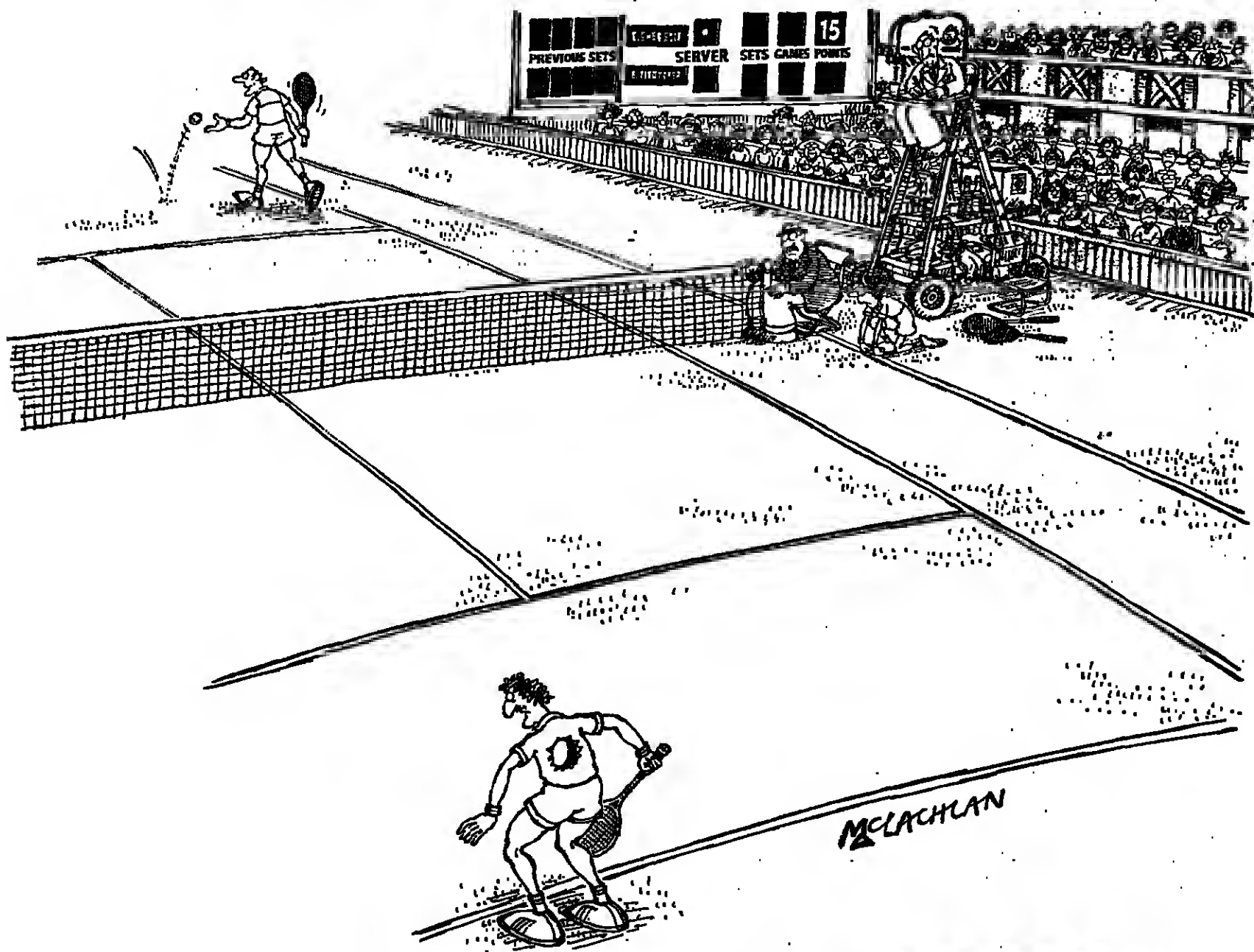
After the first election open to the external members two years ago there was much recrimination. Then, 83 candidates stood for just eight places. Some of those elected were surprised that the council position did not entail the sort of rewards they expected.

Early on in their tenure of office a row developed over whether they could hold posts with firms in the Lloyd's market. Tempting, and lucrative consultancy, had been offered to several of the members.

Lloyd's decided that any work undertaken by the external members might compromise their position as external members, and effectively change their status on the council to "working members." The council and the external members agreed that they should not take up positions which would lead to their role being compromised.

Meanwhile, the Lloyd's council is heaving a sigh of relief. Its most famous member, Mr Ian Poggate, at the centre of the Alexander Howden scandal in the market, is retiring by rotation under the rules and not entitled to run for re-election until he has stood down for one year.

Since the beginning of last year he has been suspended from the council from all duties



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ETHIOPIA PLEASE HELP US NOW!

We've all seen the horrifying pictures of men, women and children dying from starvation and disease in Ethiopia. And we've watched the appalling distress and suffering on the faces of mothers who are powerless to help their dying children.

We have to help the people of Ethiopia. And we must do it now before many thousands more lives are lost. (Six million people are currently estimated to be at risk – thousands of children are dying every day).

We've already sent one shipment carrying 14,000 tonnes of grain which we are now distributing as quickly as we are able to the worst hit areas.

Our Field Staff are working under extreme pressure to deal not only with the appalling difficulties of the current emergency but also to assess the long term needs of the people.

But what we need to do now is provide more food, water and basic necessities. And finally we must work to make sure that this never happens again.

I enclose my donation for the hungry in Ethiopia.

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OXFAM

F.T. 500 SURVEY

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Saturday November 10

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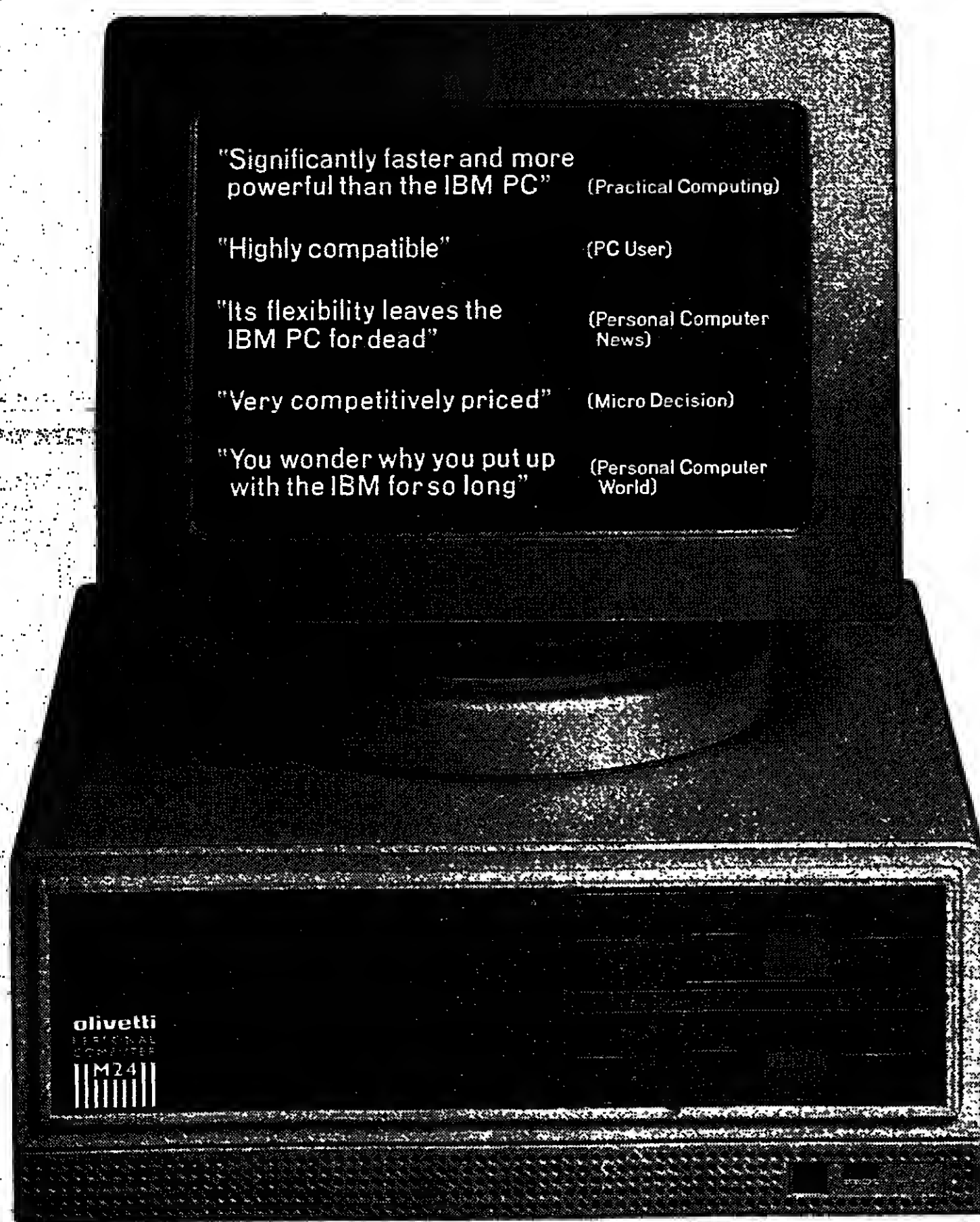
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TECHNOLOGY

DIGITAL MONITORING TECHNIQUES ARE BEING ADOPTED FOR PLANT CONTROL

Digits are the key to factory efficiency

CONSIDERABLE improvements in the efficiency of British industry could be achieved by the use of more modern plant monitoring and management systems. This is the view of Mr Justin Parsons, technical director of Field Electronics.

Traditionally, the performance of each part of an industrial plant has been monitored by analogue instruments, individually connected to a console in a central control room. However, practices are gradually changing, according to Mr Parsons.

"The principle of serial communication is now gaining ground quite fast, though there is still a considerable educational job required. The analogue measurements are digitised at the measurement points and relayed to the control centre on a twin wire communication loop linking all the points, rather than bringing analogue information from the separate instruments all back to a central control point, using masses of cabling."

"Perhaps the most important advantage of serial, digital communication is that only two wires are needed throughout the system and the units can be up to a kilometre apart. More measuring or control points are added simply by breaking into the two wire loop. Digital signals are also much more immune from interference than their analogue counterparts."

The system may also be developed into a more complex hierarchy by using a loop controller. This will control a loop of units as a single system, but will also provide yet another tier of intelligence in a larger system. Routine work, such as measurement, control, monitoring and alarm annunciation is then carried out by the loop controller, leaving the host computer to concentrate on analysis and the

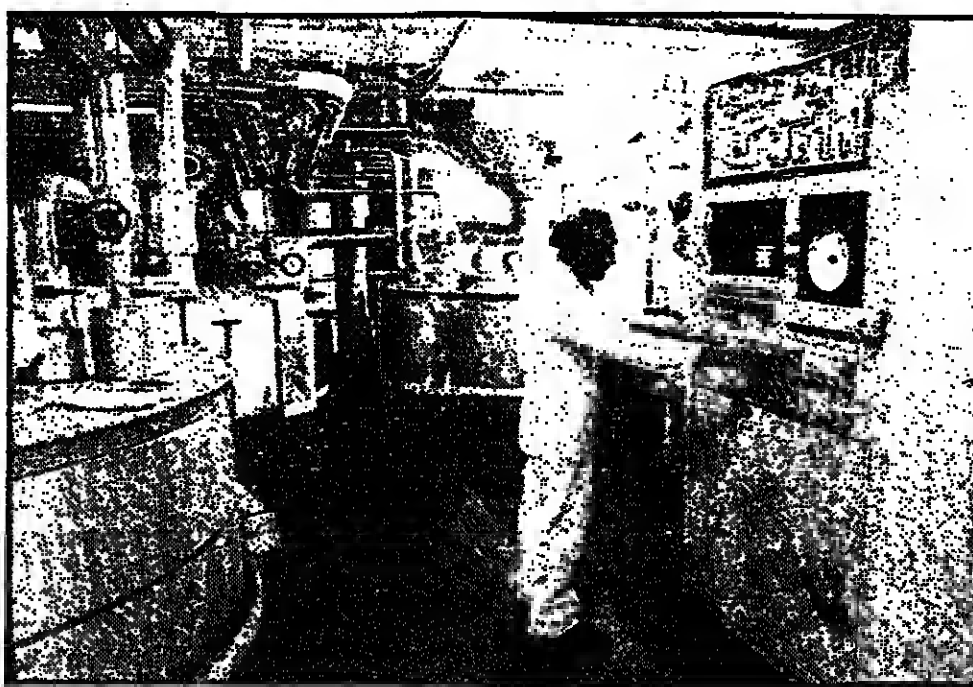
provision of management information.

There are, says Mr Parsons, two major advantages to this type of system. Firstly, it provides a means of automatically filtering the data as it travels up the system, so that the information is presented in the most comprehensible and relevant form for different levels of user. It also provides enough flexibility so that if a piece of equipment fails, the system can keep going.

ICI has installed just such a plant monitoring and management system using Digital Data Units designed by Field Electronics at its Tunstead limestone quarry, one of the largest in Europe. The system provides data on the tonnage of limestone quarried, the fuel consumed by its vehicles and the tonnage allocated to each vehicle.

Field Electronics supplied the "reporting software" in a form that could be modified to suit ICI's requirements. For instance, ICI has modified the programs to give a minute-by-minute summary graph of quarry output. Using Digital Data Units, ICI has extended the performance of its Tunstead limestone kilns. The system is controlled by the programmable loop controller, which communicates with the remote Digital Data Units and has both monochrome and colour monitors to provide continuous information to the operators. A printer is also connected to provide shift reports and other data on demand.

At the end of each shift, the loop controller automatically downloads full shift information via a modern system to the mainframe computer at the company's headquarters. This information may then be searched and analysed using powerful software, providing data on consistency of per-



Mr Justin Parsons of Field Electronics believes that British industry would be more efficient if more modern plant monitoring techniques were used

formance and indicating the modifications which could be made to the kiln system to improve efficiency. Extra units can be included at any time as the analysis throws up requirements for more data.

A further system to monitor the limestone kilns at nearby Hindlow quarry is currently being designed by Field Electronics. This is a comprehensive system using multiplex analogue input units to log temperature, gas and air pressures and flow rates and limestone weight.

The size of stone is an important element for example which ICI will be able to monitor closely. Spaces between rocks being poor conductors of heat, limestone in the middle of the

kiln may be well fired, but the limestone on the outside may not. The ratio of large stone sizes has to be carefully watched to achieve optimum heat transfer.

"ICI will be using the system as a production and research tool," says Mr Parsons, "using an extensive database handling package. Data on up to a year's operating will be stored on hard disc. The company knows the factors which affect the process, but how they work together varies with every kiln. The whole process is rather intuitive at present. Using our system, it will be able to analyse data over a long period of time and pinpoint, for example, exactly how the quantity of gas

affects the firing process. Minimising the dead time between kiln cycles could give considerable savings with 320 cubic metres of gas consumed every 150 seconds of firing."

The factor which Mr Parsons believes makes the digital loop so readily acceptable is its ease of introduction. "You can start with a very small system and add to it later. You can begin with monitoring only, then add annunciation and control. Where there is an existing analogue system, the digital units can be introduced gradually and will happily run parallel with the analogue system while the digital system is being built up."

ALASTAIR GUILD

WINCHESTER DISKS

Space savings for the rotating memory

BY GEOFFREY CHARLISH

ROTATING MEMORIES continue to pack more and more data into less and less space. The latest Winchester disk store from Shugart, the model 724, can accommodate 20 megabytes of data on its two 5.25 inch diameter platters. In text terms, this is equivalent to more than 25 average copies of the Financial Times.

The Winchester disk has built a strong challenge to the floppy disk in the last few years. The basic design is much more robust and the disk and drive are in a permanently sealed unit. More precision becomes possible, allowing the recording head to fly only millimths of an inch above the disc surface to give much more data per surface. In the 724, Shugart has managed to increase the density still more (to 720 tracks per inch) by using a closed loop servo system.

In practice, these high densities mean that a collection of floppies becomes unnecessary for the personal business computer user and there is less screen waiting time.

Carl Neun, Shugart's marketing vice-president, believes the 724 will satisfy the high capacity requirements of multi-user and high-performance operating systems. Shugart also has built the drive to be resistant to vibration and movement, protecting the stored data.

The 724 is a "half-height" unit, measuring only 1.63 inches high by 5.8 x 8.0 ins. Evaluation units are to be shipped during November and volume delivery will start in the first quarter of 1985. In the quantities typically bought by equipment makers, the price is about \$300.

In London, recently, Neun predicted trends in disk stores. They will continue to get smaller and hold more data. For example, most of the media

manufacturers are developing the so-called "vertical" recording technique, in which the tiny magnetised areas lie upright in the thickness of the magnetic oxide coating rather than along the direction of motion. Many more can be accommodated doubling storage density to 60,000 flux changes per inch.

Winchesters will also become more intelligent. On-board "brains" will execute disk housekeeping functions (formatting, error detection, buffering, etc) previously performed by the host computer, freeing it to execute more input/output commands.

Neun thinks optical disks will be the low cost answer to applications with very large storage needs, like general archival storage. But another application will be as a central file server in local area networks.

Optical disks are also likely to be used to store the data-hungry images of computer-aided design and manufacturing systems.

All these markets are, or will be, considerable. Neun quotes the Disk/Trend prediction of shipments of 3.5 inch micro-floppies—nearly 1.5m units worldwide in 1985. The figure for microfloppies (5.25 inch) is well over 0.5m for that year, while the eight inch devices are expected to fade away.

Winchesters will clock up over \$70,000 in unit sales in 1985. Freeman's Report put 1987 world optical disk sales at \$38,000 units.

Components

Cool circuits

FERRANTI COMPUTER Systems has launched competition-cooled printed circuit boards for ceramic surface-mounted electronic components.

Designed for the next generation of electronic assemblies, the new board is a metal-cored polyimide laminate which dissipates heat more rapidly.

A problem with surface mounting has been a mismatch of the temperature coefficients of the board and the leadless chip carriers used in surface mounting. The result was fatigue failure of soldered joints after a few thermal cycles produced by switching equipment on and off.

The new boards have a temperature coefficient of expansion that closely matches the chip carriers and in addition the heat is more rapidly removed through the metal core to a cooling wall at the edge of the board. More on 0344 483232.

Software

Angling for the best

WHAT HAS fishing tackle got to do with computers? The answer is that Cambridge Systems Technology, CST, has developed a system for measuring the behaviour of fishing rods during use for a fishing tackle manufacturer.

Advanced Angling Technology, a producer of specialised fishing rods, wanted to analyse the casting and striking characteristics of carbon fibre and glass fibre rods.

CST developed software called "right angle" which runs on a BBC B micro-computer. This is connected to a number of strain gauges which measure the performance of a rod under test. This data is compared with the specification stored in the computer's memory.

Building

Metal detection

PROFOMETER is a metal detector with a difference—it locates reinforcing metal in concrete structures. The device is able to give an accurate measure of the position of the reinforcing bar, its diameter and the amount of concrete cover.

Built by Profometer of Switzerland and offered in the UK by Burton McCall Industrial, its chief use is to monitor deterioration in reinforced concrete structures through corrosion by acid rain. More on 0533 538781.

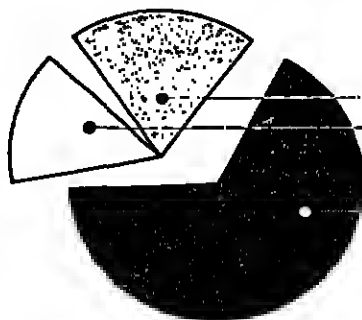
HARWELL



TODAY'S INVESTMENT

Many companies have successfully introduced conservation and control measures to cut down wasted heat –

but good housekeeping is not enough.



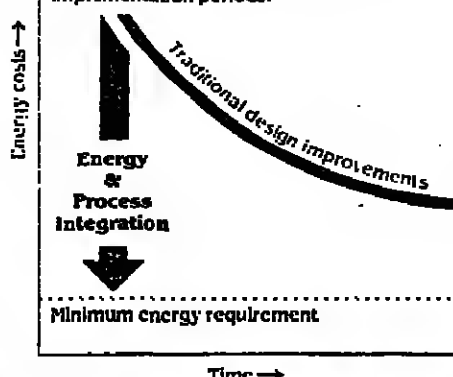
20% savings from conservation and control measures
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Analysis of many energy consuming processes demonstrates that many companies can expect to save over half their energy costs by applying energy and process integration techniques. EPI surveys show that the minimum energy required may be as low as 20-30% of the existing usage.

Process integration techniques can save a company as much as 70% of their energy costs – thereby releasing many thousands of pounds for more profitable use. The relatively modest expenditures involved can often have a pay back time of under 6 months.

Short-cut the Learning curve – benefits of energy and process integration techniques are immediately available and do not involve lengthy learning and implementation periods.



Harwell and ICI have joined forces to offer the Energy and Process Integration Service to industrial customers

By harnessing the combined experience of Harwell and ICI the service can offer a flexible approach depending on the needs of the customer.

A typical project would include:
● A rapid assessment of potential savings
● Design study and recommendations for new equipment or modifications to existing plant
● Supervision of plant installation or modification

Companies most likely to benefit are those in the process industries, particularly in the chemical, oil, food or drink industries. The techniques have already been successfully applied to a wide range of processes covering evaporation and drying, distillation, heat pumps and refrigeration systems, combined heat and power and heat recovery systems. The techniques involve establishing the minimum practical energy requirement for a given process. Systematic procedures are then used for integrating individual processes into an energy efficient system, optimising design and balancing capital costs etc. against energy savings. This allows organisations

establishing new plant or retrofitting existing facilities to 'beat the learning curve' of inefficient operation and move straight to near optimum efficiency.

Special techniques have been developed for:
● Heat exchanger networks
● Heat and distillation
● CHP
● Site systems

EPI is backed by a continuing research programme in which ICI has already invested £5 million.

In just two years the application of EPI techniques to process plant has identified savings of £30 million per year.

For information about the benefits of the new service return this coupon to: Dr Ewan Macdonald, Energy & Process Integration Service, B151 Harwell Laboratory, Oxfordshire OX11 0RA. Telephone: Abingdon (0235) 24141. Extension: 5171

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EPI TODAY'S INVESTMENT

HARWELL RESEARCH LABORATORY OF THE URAEA

SPACE MANUFACTURING

Laboratories in space

THE EXPERIMENTS to be carried out on the next flight of the space shuttle, Discovery, may pave the way for 3M's plans to build a laboratory in space.

This proposal is among many put to the U.S. National and Aeronautics Space Administration, NASA, by 3M. The company hopes to secure from the space organisation a 10-year agreement to carry out basic research in the weightless environment of space.

Many manufacturing companies are interested in the possibilities of producing materials, such as crystals in space. They believe it could lead to more perfect materials and larger crystals than it is possible to make on earth.

If the agreement is reached between NASA and 3M, the company will perform experiments aboard 72 space shuttle flights to 1995.

Already planned aboard the next flight is an experiment to determine the effect of zero gravity on crystal growth. Early next year, 3M will provide an experiment which will study the

growth of thin crystalline films from vapour generated from organic solids.

The flight today will carry six football sized stainless steel containers. These have three chambers which contain two solutions of organic chemical which will react together in the central chamber.

The byproduct of the reaction should be less soluble than the reactants and so crystallise out of the solution. In variation of this, an organic chemical in solution will pass through the two remaining chambers which contain an incompatible solvent causing the chemical to again crystallise.

As a heavy user of thin coatings in photographic products and video tapes, 3M will also operate an experiment on a later shuttle flight which will test the effects of near-zero gravity and vacuum on the direction of microcrystal growth in thin organic films. This experiment will take place in sealed containers placed in the shuttle's cargo bay.

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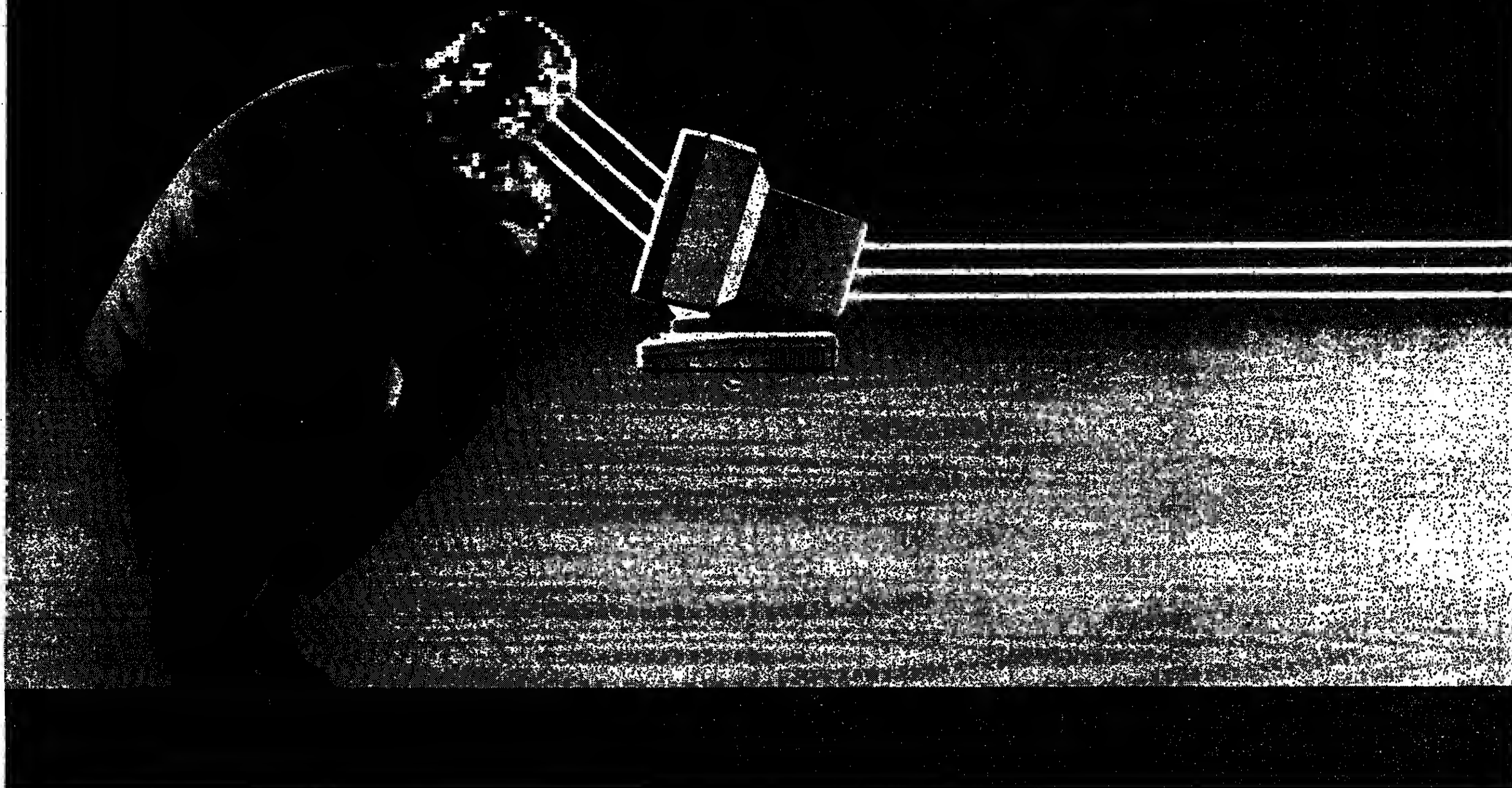
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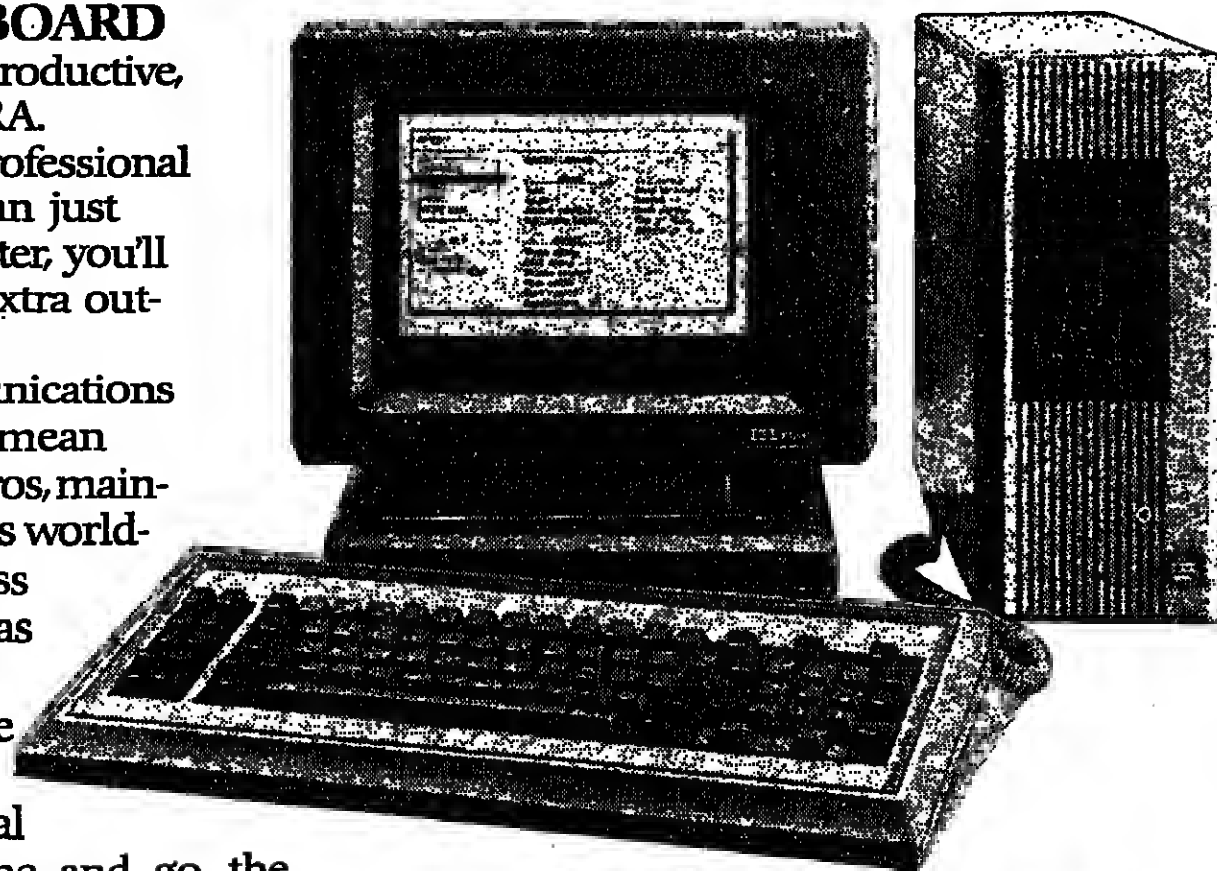
The built-in communications and five expansion slots mean direct access to other micros, mainframes and networks; plus worldwide electronic mail, access to Videotex systems, such as Prestel, and, in the near future, simultaneous voice and data transmissions.

So while conventional personal computers come and go, the ITT XTRA, a professional communicator,

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THE MANAGEMENT PAGE

EDITED BY CHRISTOPHER LORENZ

FIRE engulfed HMS Glasgow. Intense heat and thick smoke spread through the destroyer. Rescue work continued all morning and into the afternoon but eight men—two still in their teens and four in their 20s—died.

The location of this particular tragedy was not the South Atlantic during the Falklands war, but the more mundane surroundings of Swan Hunter's Neptune shipyard at Newcastle-upon-Tyne.

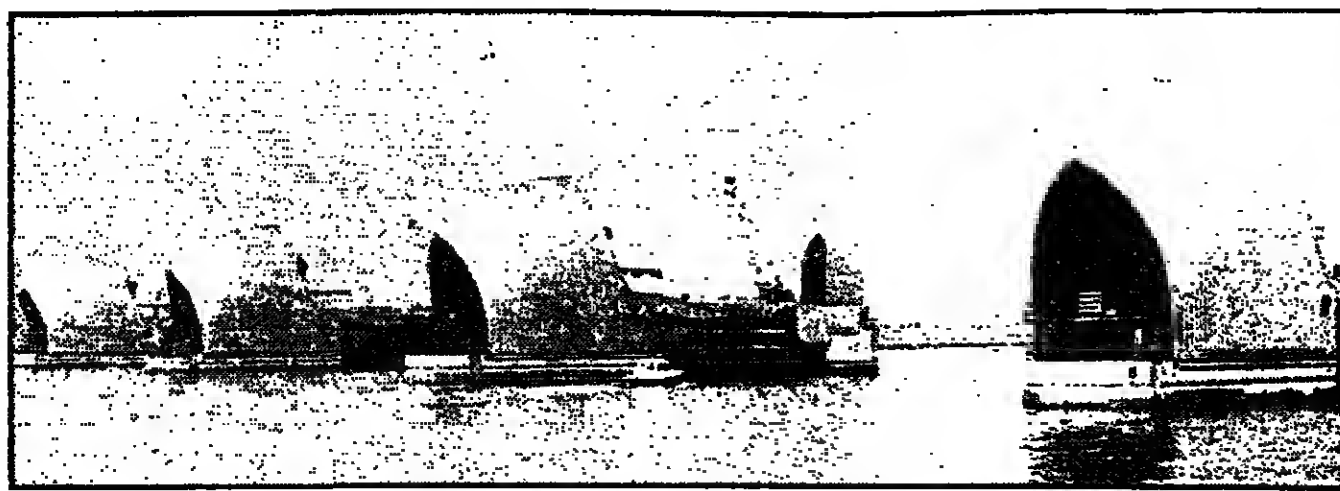
Industrial accidents fade from the public memory more quickly than acts of war. If an incident is dramatic enough it will have its brief moment in the headlines. Inquiries will be demanded. Questions asked in parliament. Then—except for the relatives and friends of those involved—it will be succeeded in interest by other events.

But years after a fire, explosion or structural collapse has been generally forgotten the staff of the UK's Health and Safety Executive are often still learning lessons from it and working on ways of preventing the same thing happening again.

The Health and Safety at Work Act, which gave the UK its distinctive and in many ways unique safety law, is 10 years old this autumn. Until 1974 health and safety responsibilities were scattered throughout Whitehall. Under the Act all the separate inspectorates—from the factory inspectors, with their origins in the first Industrial Revolution, to the post-war nuclear inspectorate—were brought together in a single, streamlined structure. The new Health and Safety Commission and Executive was given wide powers to detect and investigate hazards, produce solutions and ensure that they were carried out.

Dr John Cullen, chairman of the commission, is sufficiently impressed with the achievements of the first 10 years to declare: "Britain probably has the best health and safety law in the world."

That law had been in force for less than two years on the morning of September 23 1976, as the day shift checked out at HMS Glasgow, under construction at the Neptune yard. Some time after 7.30, before beginning work in the auxiliary machinery space on deck 4, four men started to smoke. The cigarettes immediately burned along their entire length to the tips. This was interpreted by the men as a fault in the cigarettes. What the phenomenon failed to tell them was that they were in an atmosphere enriched by oxygen which had been leaking from a hose for several hours. Work



Building the Thames flood barrier cost five lives: the construction industry still holds the worst record for fatalities

Why a 1976 fire is still having repercussions

Alan Pike reports on the impact of Britain's health and safety legislation

started. At 7.55 a welder struck an arc, and the fierce fire which was to claim eight lives broke out.

The Health and Safety Commission directed the executive to investigate and produce a special report on the HMS Glasgow fire under the new Act.

Subsequent events illustrate the thorough and wide-ranging consequences of a serious industrial accident. The executive's report names 230 people who were interviewed in the course of the investigation. Research was carried out on board the damaged destroyer and in the executive's laboratories.

But the executive is as much concerned with preventing accidents recurring as it is with enforcing the law and prosecuting for breaches of it. The consequences of the HMS Glasgow fire are still having an impact on the shipbuilding industry today.

As a result of recommendations in the report on the HMS Glasgow fire:

- Conferences of shipyard representatives have been held and a guidance note published aimed at improving fire precautions and means of escape on ships being fitted out and under repair.
- Significant progress has been made with the industry in improving the control and

FEARS that recent economic and industrial trends may be militating against the best health and safety practice were expressed by Jim Hammer, Britain's chief inspector of factories, in his annual report last week.

The report recounts the story of the parents of a 17-year-old boy who offered to pay for damage caused to a conveyor which their son jammed with a shovel when his arm became trapped. They also told the employer they would waive their claim for compensation if only their son could continue in work.

This incident happened not in Victorian Britain but last year. Proceedings were taken after factory inspectors learned of the case but, commented Hammer, "It illustrates dramatically the

use of fuel gases and oxygen on ship and the training of staff using them.

- Steps are being taken to introduce an odorising agent into oxygen, so that it will be possible to detect leaks by smell.

In the ten years before the HMS Glasgow fire 19 men were killed as a result of accidents in oxygen-enriched atmospheres in British shipyards. No one

priorities in areas of high unemployment."

Hammer is particularly worried about the possible safety implications of the growth of small companies, often funded on redundancy money, and the fact that many employers have cut back on maintenance checks and safety specialists. But his report also illustrates that a positive management approach to safety pays dividends.

The management of one large factory, extremely concerned that there had been nine fatal accidents in little more than a year, developed a new work plan which required line management to take action on 18 specific points. Following implementation of the plan, 1983 was the very first fatality-free year at the plant.

has died in the subsequent eight years.

Although a few problem sectors like construction continue to defy the general trend, there has been an overall clear improvement in safety at work since the Act came into force. Fatality rates have fallen and while changes to accident reporting make precise comparisons difficult—there is estimated to have been a drop

to threaten the progress on the safety front which has begun over the last ten years. There is already some disturbing evidence of this (see inset).

Safety is not the commission and executive's entire brief. The next ten years is likely to increasingly taken up with issues in the complex, broader field of occupational health and the control of industrially-induced diseases.

Given the potential for uncontrollable publicity which subjects like exposure to asbestos and nuclear radiation have shown themselves capable, it is initially surprising to hear John Cullen and John Rimmington, director-general of the executive, say they are anxious to take a higher profile in this area.

But plans are being considered to develop the commission and executive into a kind of national risk-broker on questions where industrial processes are suspected of endangering health.

"The public perception of risk may sometimes be different from the reality," says Rimmington. "Yet we lack an authoritative body to which the public is prepared to turn for research into the extent of a particular risk."

"The executive has the technical expertise to fulfil such a task. We could help get a better sense of proportion into discussions about risk by speaking the truth about whether something is more or less dangerous than people think," Cullen agrees. "We need to raise our profile and we have to be prepared to be controversial. We are neither the Government's lap-dog nor a bunch of starry-eyed idealists. I should like to get to the position where we are widely regarded as a guardian of public safety, backing up statements with research and facts."

Some of these ideas are likely to be developed in the commission's next annual report, which will form the basis of a manifesto for the second 10 years of the Health and Safety at Work Act.

Such a manifesto cannot operate outside the prevailing economic climate. The commission and executive have finite resources, particularly at a time of public sector spending controls. So making decisions about future priorities will be one of the commission's most demanding tasks in the coming years. And since public opinion plays an inevitable part in determining priorities there will be a growing attempt by the commission to stimulate fresh thinking about how risks and hazards in the workplace should be evaluated.

Apart from individual carelessness, only economic pressure on employers seems likely

BUSINESS PROBLEMS BY OUR LEGAL STAFF

Bona vacantia

When I left England in 1978 I notified the Companies Registration Office, by completing a form, that my property had ceased trading. The company still owned a small piece of land which I assumed my wife and I as sole directors could take over and sell.

Oddly enough that scrap of freehold land has now become moderately valuable but my solicitors say "it cannot be sold unless the company is reinstated; otherwise the land becomes vested in the State as what is known as bona vacantia."

The advice you have been given is correct. The company would have to be restored to the register so that it can convey the land to its shareholders, as a distribution in specie, once all its debts have been paid.

Consultant's tax

I commenced self-employment in August 1983 and took the supplement offered by the Manpower Services Enterprise Scheme.

My accountant tells me that this supplement has to be included in my profits under Schedule D, Case II, and that this first year profit will be used to assess the eight months to April 5 1984, the year 1984/85, and that my second year profit is less than my first year, when I can elect to be assessed on actual profits in place of the preceding year basis.

If, as I hope, my second year profits are higher than the first, the supplement received will be taxed as follows:

Eight months to	
April 5 1984	£1,386
Year 1984/85	2,080
Year 1985/86	2,080
	£5,546

Tax 30% on £5,546 = 1,664
Supplement received = 2,080
Net benefit = £416

Is this correct? While I would not complain about the net result, if correct, I do think that the Enterprise Scheme should make this clear in their literature at the beginning.

1—Yes, if you adopt a July/August accounting date; you may like to ask for a copy of the free Inland Revenue pamphlet IR26 (Income tax assessments on business profits—changes of accounting date).

2—It seems reasonable for

the MSC to assume that anyone proposing to start a business will either seek professional guidance through the tax maze or ask for a copy of the free Inland Revenue pamphlet IR26

Benefits

I WONDER if you could clarify a rather sore point for my brother and myself. We are controlling directors in a family company, the shares divided equally between us. Following an article in the Financial Times approximately mid-1979 about perks allowed to directors, my brother and I purchased four suits between us costing £300 and charged them to our company. The article in your esteemed newspaper stated categorically that we would only be charged for use.

Unfortunately our accountants have charged these suits against the current accounts in the company. We obviously queried this action and our accountants stated that the benefit only applied to "employee directors." We think that your accountants are correct. You will appreciate that the extent of perks of the kind you describe is constantly under review.

Self-employment

I retired a few months ago, but my firm has retained some of my services on a freelance basis, ie I am treated as a self-employed consultant and no tax is deducted at source. My tax inspector is aware of the situation, since in view of this arrangement I am forfeiting my state pension.

The firm is concerned about the possibility, albeit remote, of its liability for tax on deductions from gross payments, in case payees do not declare them. It is now requesting me and other people in the same situation to sign a declaration: (a) confirming that account will be only made to the taxation authorities; (b) specifying the district and reference number.

Could you please let me know whether the firm has the right to make such a request?

The answer is yes, unless there is anything in the contract which you made with the firm after you retired.

No legal responsibility can be accepted by the Financial Times for the answers given in these columns. All inquiries will be answered by post as soon as possible.

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Total assets	\$9,286,185
Loans	5,831,234
Deposits	5,633,120
Shareholders' equity	417,226

FIRST CITY BANCORPORATION OF TEXAS, INC.	
Financial Position (In Thousands)	
September 30, 1984	
Total assets	\$16,968,770
Loans	11,427,799
Deposits	12,293,010
Shareholders' equity	977,756

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THE ARTS

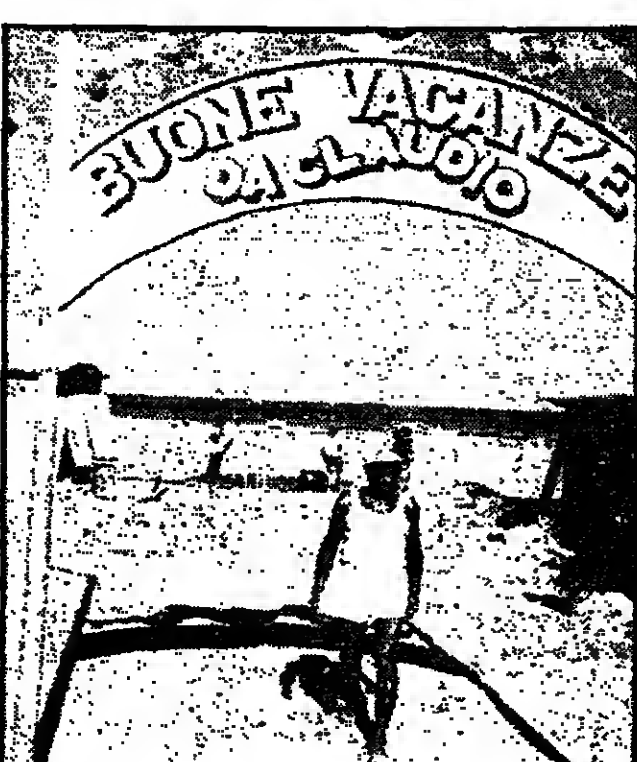
Television/Christopher Dunkley

A wide and wonderful world of foreign bodies

It would be pleasant, as a besotted lover of Italy and the Italians, to be able to enthuse unreservedly over BBC2's series *Italiani*. The truth is, however, that while all 10 programmes are adequate they are rarely more than that. Having watched off air the episodes about Claudio Casadei, the beach umbrella man, Dino Labriola, the mayor of Montemilione, and Roman actress Mirella D'Angelo, and previewed all the others off cassette it is disappointing to have to say that none, on three or four occasions does one sense the true spirit of Italy and the Italians emerging with any great power. Best of the bunch is Richard Lightbody's eighth episode, "The Man From Alfa", in which we see Mauro Fiammenghi, a quality controller and shop steward at the Alfa Romeo factory in Milan, not only at work and at union meetings but also at home in the city and tending his vines beside his weekend cottage at Lake Como. With Fiammenghi the viewer can begin to see that fundamental difference in attitudes to family, politics, religion, even food—the seeming similarities between Italian and English life. There are moments of similar insight in this coming Friday's *Italiani*, as the restorer Leonetto Tintori and in the following week's about a Venetian ballet teacher. Far too often, however, the programmes remain stuck on the level of "Day In The Life Of" articles from the colour supplements. In the case of the final programme, "The Bride Of Calabria", we are left with more questions than answers. Where does the money for this wedding—£20,000—come from? If this is an arranged marriage what does the bride's family expect to gain from a travelling sales-

man, and so on? Series producer Jeremy Bennett made three of the programmes and seven other producers made one each. Perhaps there would have been more of a synthesis if fewer producers had been involved.

Cookery programmes were in a rut: from Marcel Boulestin in *Cook's Night Out* on the BBC before the war to Delio Smith's *Cookery Course* more recently, via Philip Harben and the Craddock, Graham Kerr and Vincent Price, they have been practically indistinguishable: studio lessons ending with "I have one here in the oven..." But in the last year so things have looked up as recipe programmes have given way to food programmes. It is now de rigueur not merely to include tips on equipment and marketing but whenever possible to show film of the dish being prepared in its place of origin. Thus Ken Hom's *Chinese Cookery* on BBC includes trips to the kitchens of Chinese restaurants and lots of footage showing food being bought and prepared in Hong Kong. It is a huge improvement.



Claudio Casadei on "Claudio's Beach" which opened BBC2's "Italiani" series

You lean out of your car window to hurl abuse at somebody whose driving has almost caused a multiple collision—and discover he is black. Do you go ahead and deliver the perfectly justified mouthful or do you hit back the words for fear of being thought a racist? BBC1's *London Play* raised a similar dilemma last week when an item began with a voice-over report which sounded like schoolboy imitating a real reporter. When the reporter finally appeared he was black. Should we therefore refrain from comment? Although Britain is clearly not a multicultural society and although it is silly to be delivering all-black programmes

to Dorset or Dundee where they are almost entirely irrelevant, Britain does have a number of multicultural cities and London is one of them. That being so, London programmes (and those for Leicester, Bradford, Wolverhampton and various other cities) would do well to feature a higher proportion of non-white-Anglo-Saxon. Protestant Trevor McDonald or Major Stuart must be worth dozens of over-promoted black beginners. Anyone willing to bet that the new Toshiba commercials

won't win umpteen awards should contact me immediately. Not only will the use of trendy computer graphics and rock world imagery appeal to the creative types who serve on judging panels, but the Cockney refrain "Allo Tosh, gotta Tosh" is clearly going to publicise the brand name in a way that precious few commercials achieve. "It's for you-hoo!" has gone straight into popular usage as did "It's what your right arm's for" but those catchphrases contain no name. However, I predict that the Toshiba series will also create the same sort of popularity among the Cheltenham colonels and the Maidenhead matrons as milk's "Gotta lotta bottle" did. That campaign causes more irate calls to the LBC (London radio) phone-in programme about television which I do periodically than any other advertisement. How can we expect our children to speak properly if television sets this sort of example? they will. But it is all hypocrisy, isn't it? How many did Elocosians do? How many have picked up Cockney accents from watching too much television? What really outrages the Sloane rangers is television's readiness to accommodate Cockney (or indeed Scouse or Mumsnet) after all those years when received southern English was the only accent permitted.

Considering some of the grotesque rubbish which British television serves up these days as "entertainment" there is something peculiarly sanctimonious about London Weekend's decision to make the series *Clive James On Television*. One of the witliest and shrewdest journalists of his generation, used to aim his barbs at British television. Now British television has

hired him to play the pharisaical role of the knee-jerk xenophobe — "Art art look at them they're foreign" — the effect (quite unintentional, of course) being to take the heat off themselves. Let us hope they pay him very large fees.

ITV's *Trial Of Richard III* proved yet again the extraordinary effectiveness of the court case format. Though it lasted for 31 hours and departed from the court room only once for the screening of a clip from Olivier's *Richard III* (which should and quite easily could have been properly integrated with the lawyer's presentation of evidence, incidentally), Richard Drewett's programme was never in danger of losing one's attention. True, its most entertaining aspect was a marvellously childish feud between academics and lawyers over the use and interpretation of evidence, featuring in particular the pomposity and bombast of a small man called Starkey whose persona complete with little moustache and very high horse would never have been invented by a novelist. Despite its great length the programme's serious purpose of reviewing the evidence for and against the belief that Richard III murdered the princes in the Tower could only be fulfilled in the most scanty way. Its introduction to such matters as the legal background, the prince's legitimacy, the dating of the skeletons found in the Tower in 1674, and the altering of portraits to make Richard appear a monster, all left one wanting to know more. What this programme could quite easily have done was show us the arguments among the jury leading to the "not guilty" verdict; after all, unlike later juries this one was not sworn to secrecy.

London Sinfonietta

David Murray

One went to the Elizabeth Hall to hear "the Younger Generation of German Composers" with a little trepidation: would ear-splitting aggression prove to be in vogue still over there? Some German pieces of the 70s amounted to aversion-therapy for musical camp-followers. In fact what the Sinfonietta offered on Monday (with help from the Goethe Institute and Wacker Chemicals) included the odd eldritch shriek, but nothing like a scorched-earth assault. And the programme, conducted by Diego Masson, kept a clever balance: enough variety to compensate for the weaker music, but not so much as to obscure some general family resemblances.

The youngest of the five composers, Dellev Müller-Siemens, was represented by an early piece, "Variations on a Waltz by Schubert" are elaborately sober, without any intentions of scoring for string and wind quintets remembers a friendly Viennese vein, but extends it into dense and delicate tangles. It might pass for a modern chamber-scale essay in the vein of Reger's opulent Mozart Variations. His oldest colleague here, Arbert Reimann, was the other closest adherent to that slightly academic tradition, with an early cycle Epitaph (Neil Jenkins was the scrupulous tenor soloist) that does intelligent things with Shelly. Each of the other composers is just past 30. Wolfgang Rihm's *Silence* to be broken was

a Sinfonietta commission last year (and cautiously praised on this page by Max Loppert). It held one's attention firmly again, taking up a self-imposed challenge to maintain a tough, unyielding continuity against every kind of disruption, from the extremes of every musical range. It is ingenious, and it works. Nothing like that can be said for Reinhard Fehel's *Nocturne I*, which fills a quarter-hour very thickly with a few exiguous fragments of music and a lot of tam-tams. At no moment was there any reason for it to continue. It owes little to anybody (unless to Maxwell Davies's *St Thomas Wake*: it might be a child's ear memory of that), but earns no credit on its own.

Swan Lake/Covent Garden

Clement Crisp

Exposed by the Royal Ballet for the 68th time at the Opera House on Monday, *Swan Lake* had as fatigued and predictable an air as one might expect. The designs looked exhausted; the company performance had the routine politeness of the recorded time on the telephone; Bryony Brind and Derek Deane were at the centre of things, and the orchestral interpretation under Howard Williams gave at moments new meaning to the phrase "fast and loose". It was hard to realise that *Swan Lake* can, under more favourable circumstances, be a lyric tragedy which calls for the grandest efforts of the grandest talents. By the Royal Ballet's own vacillating classical standards the presentation was airless, musty, as if the ballet had been shut up in a cupboard — a fate it deserves if it is to be shown on these unworthy terms.

Miss Brind has so individual and so credible a physique for Odette/Odile that *Swan Lake* should now be hers to dominate by right. Yet her reading on Monday seemed hurried in its

first two acts. Where more generous tempi should have allowed her extravagant and fine-boned line to open out, and the dance to breathe, I saw phrases hustled, poses with hardly time to flower to their full beauty. The virtuosity of moments of the third act were brisk, over-emphatic, as if she were determined to prove once again that she can turn with ease, when a nobler and more expansive manner would have brought greater dynamic and emotional rewards. Only in the Ashton fourth act, where the dance is cast as a long and unwhipped catenula, did the full and exquisite power of her style and a delicate, penetrating melancholy of feeling, show that she is, indeed, an Odette of real distinction.

Derek Deane, ever intelligent in acting, surest of partners, makes a Siegfried of elegant appearance and clean dancing. Under the generally dim circumstances of the evening this was commendable, but both he and Miss Brind can find more intense, more sonorous things to show us in future

Pollini/Festival Hall

Dominic Gill

Mauricio Pollini began his recital on Monday evening with another chapter of his beautifully sculpted, strangely passionless and uninvolved performance of the *Durand*. His performance of the *Durand* (like his recent record of the *Symphonic Etudes*) is immaculate, but the whole event seemed to unfold elsewhere in some private, withdrawn dimension. There was too much to admire in the spectacular fluency of the delivery, the clarity of the voicing, the vivid sonority; but for all that the reading signally lacked romance, or any kind of intimate sensuous infection. The musical tone of voice, at the most Schumannesque moments of intimate sentiment, was unconvincing: a straining for correctness rather than gentle, insinuating revelation. It's a puzzle indeed to understand how a performance ex-

ecuted with such commanding brilliance can also sound, on other still more important levels, so prosaic. That's a serious charge, which can really only be justified by detailed comparison: set the magical interplay of resonances which pianists like Alexeev or Argerich or Perahia can find in Schumann beside Pollini's deft and exquisite calculations. Under the generally dim circumstances of the evening this was commendable, but both he and Miss Brind can find more intense, more sonorous things to show us in future

Wuthering Heights/Arts, Cambridge

Martin Hoyle

Vince Foxall's adaptation of Emily Brontë is about exclusion as much as it is about romantic obsession. "Let me in!" is the recurring cry of one character after another. It provides a final wind-borne wail for the curtain-line, helping the narrator's placatory reference to kindly nature.

Isolation is the keynote. "Let me out, might I, kindly sir, for characters described as 'imprisoned with walls of love and hate'. The dismantling of barriers is no remedy. "Why are we ensnared?" asks the wretched Isabella, trapped in a brutal marriage to "Hathor". "Because we let him in," comes the drunken and dispossessed Hindley's resigned reply.

The Cambridge Theatre Company's version is taut, sinewy, and, in the first half at least, swift. Ian Gelder's story-teller moves in and out of the narrative assuming the role of Earnshaw, just as Nelly Dean (Susanna Bishop, too young) glides between reminiscent present and re-enacted past. Miss Bishop is happier (if that's the word) for the ill-fated Isabella.

In Ted Craig's flexible production the cast, except for Heathcliff, at least, has two parts each. Past and present mingle on Hugh Durrant's spare set: a stormy sky, items of Georgian furniture stage right for the respectable world of the Lintons, bare wooden pieces stage left for the Heights. Richard Caswell's lighting is (literally) spot-on when blending times and places into a seamless story-line. (though I sympathised with the Italian couple in the audience struggling to work out who was what, when and where).



Charlotte Attenborough and Jonathon Morris

Past and present entwine as the story-teller, colloquies while Hindley taunts Heathcliff. The individual characters remain rooted in their past. The adult Hindley, in a Gothic decline, suddenly cries for his father and the toy violin, broken on the day that the wail Heathcliff was brought into the house.

The company's familiar virtuosity gets away with the plot's cumulative melodrama, just as Michael Hadley's religious ranting as Joseph just—only

just—avoids Cold Comfort Farm (B. A. Young has already pointed out this week the dangers of dramatising 19th century novels.) Jonathon Morris, a Chichester Orlando and, recently, a notable Marchbanks in *Candida*, depicts a Heathcliff not gypsy-like, not even dark, and ultimately too decent a young man to mean any one real harm. But if the actor's delicate, almost true Heathcliff, he summons up the anguish for Cathy's death. I suspect that modern sensibilities have made Heath-

cliff, like Skylock, almost impossible to bring off. Similarly Philip Bretherton seems uneasy at endowing that archetypal wimp Edgar with the necessary dignity, but his glovering Hareton, a Heathcliff in embryo, is perfect. Charlotte Attenborough is full of promise. She overdoes the childishness and lacks Cathy's wild feyness, but comes into her own as the sister of the Linton house. Compact, self-possessed and tenuous, she would be an asset to the theatre of group develops a macabre sus-

Theatre News in brief

As the Royal Shakespeare Company unveils its new production of *Mother Courage* in the Barbican this week, Judi Dench in the lead, the Oxford Playhouse Company offers another of Brecht's best known plays, *The Good Person of Szechwan*. The Royal Court claims that the play is an indication of the impossibility of "something" happening. It has been professionally produced only twice since its premiere, *Saved* only six times. The former is to be directed by Max Stafford-Clark, the latter by Danny Boyle, and both will be performed in repertoire.

Both plays are to be designed by Peter Hartwell and lit by Andy Phillips, and the company includes Peter-Hugo Daly, Lesley Mansville, Gary Oldman, Tony Rohr and Joanne Whalley.

With the National Theatre announcing a 1985 production of Arthur Miller's *The American Clock*, and Dustin Hoffman still rumoured to be visiting London as Willy Loman, the new play in the Arthur Miller series this week with Ray McAnally as Loman in the Bolgrade Theatre in Coventry's version of *Death of a Salesman*. Directed by Rob Bettinson, an Arts Council associate director, in Coventry, and designed by Trudy Marklew, the show also features Louise Ramsey as Linda, Jack Lynn as Uncle Ben, Charles West as Charley, and Brendan Price as Biff.

The Royal Court is to revive Edward Bond's first two plays, *The Pope's Wedding* (on November 27) and *Saved* (on December 19). In 1982, *The Pope's Wedding* was given as a Sunday night performance with out-of-theatre and has been rarely revived since. It concerns a group of farm labourers, one of whom develops a macabre sus-

picion of an ancient hermit. *Saved*, which dates from 1965, is notorious for the baby-stoning scene which deflected more appropriate critical and public interest at the time of its performance.

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Arts Guide

Music/Monday, Opera and Ballet/Tuesday, Theatre/Wednesday, Exhibitions/Thursday, A selective guide to all the Arts appears each Friday.

Nov 2-8

Exhibitions

WEST GERMANY

Hanover: Forum des Landesmuseums, 8 Am Markte. A big retrospective, comprising 185 paintings, watercolours and drawings, highlights the oeuvre of Ludwig Richter (1803 to 1890), the German landscape and genre painter. Ends Nov 24.

Berlin: Nationalgalerie, 50 Potsdamer Strasse. More than 20 works of paper by Luciano Bartolotti, the Italian artist, some of the installations created for the show. Ends Nov 9.

Goslar: Mönchhausstrasse. Bronze sculptures by Willem de Kooning, the abstract expressionist U.S. artist, who won this year's Goslar cultural prize. Ends Dec 8.

LONDON

Arts & We All? (Haymarket) Rex Harrison and Claudette Colbert in a measure rarely by Frederick Lonsdale. Miss Colbert defies the march of time and still wears her hair the same way, with bangs. (890 8432).

42nd Street (Drama) Larry: No British equivalent has been found for New York's Jerry Orbach, but David Merrick's tap-dancing extravaganza has been resolutely received. American Clare Leach is a real find as Peggy Sawyer, and Margaret Courtenay has a field day (896 8109).

ITALY

Venice: Palazzo Ducale: The Treasures of the Pharaohs — a rich and fascinating exhibition of more than 60

works (lent by the Cairo Museum) — covering over 3000 years, and containing an enormous variety of objects from mundane things such as combs and cooking pots to the contents of Tutankhamun's tomb. Until End of December.

Venice: Museo d'Arte Moderna di Ca' Pesaro Egon Schiele 1890-1918. Almost all works of this extraordinary painter. This exhibition was at the Campidoglio in Rome earlier this summer. Ends Nov 25. Open from 10.00am to 7.00pm (closed Monday).

PARIS

Kandinsky: 70 paintings, many on loan from the U.S., Germany and Holland, are complemented by Nina Kandinsky's legacy of 700 drawings and sketches, by his correspondence, his library and his own collection. The vast retrospective, the most important in Paris since 1980, retraces the different stages in his creation: Munich, the Bauhaus and finally Paris. Centre Georges Pompidou, closed Tuesdays. Ends Jan 28. (277 1233).

The influence of French and Italian schools and fidelity to their national inspiration, the fascination with reality and romantic idealism, produced two contradictory tendencies in German painting in the second half of the 19th century. On the one hand, Arnold Böcklin, the symbolist, continues to meditate and dream of poetry and mythology. On the other hand the violence of colours of the New Realists — announces 20th-Century Expressionism. Petit Palais, closed Mon, Ends Jan 13 (265 12 73).

VIENNA

Medieval Art from Serbian Monasteries: This exhibition from Yugoslavia of religious art from Serbian Medieval Monasteries covers the period from the 10th to 17th centuries and includes some intricately worked silver book covers, chalices and incense burners. Glazed icons are also of interest, showing a surprisingly modern angular technique in depicting garments. Other exhibits include illuminated manuscripts and copies of frescoes, and all show a fascinating intermingling of eastern and western artistic influences. Museum of Mankind, Ends Jan 20.

NETHERLANDS

Amsterdam, Allard Pierson Museum: Similar But Different, an exhibition marking the archaeological museum's 50th anniversary, is devoted to daily life in Egypt, from 2500 BC to 600 AD. Not grandeur, then, but domesticity, as the visitor is led through a series of small rooms (one a recreation of an Egyptian interior) displaying everyday objects, delicate furniture work, jewellery and religious artefacts. Richly illustrated catalogue. Ends Jan 1985. Currently, on the top floor, a remarkable display of the earliest photographs (1839-1860) of the monuments lining the Nile.

NEW YORK

Balta in Glend (Minetta Lane): John Malkovich's energetic but nostalgic revival of an early Lantford Wilson play brings back the wide-eyed, drugged out 1900s and 70s to the ac-

companied by Bruce Springsteen songs (490 8609).

Quilts (Jack Lawrence): Based on American pioneer women's descriptions of their work in making quilt blankets, Molly Newman and Barbara Danzabek's musical arrives in New York remounted from its most origins in Denver. (207 5432).

TOKYO

Ukiyo-e Prints and Paintings of the Floating World (revolving round the theatre and Yoshiwara pleasure quarters). In one of the largest exhibitions ever mounted of this genre, 500 items depict a bedonistic 17th-century Tokyo. Tokyo National Museum. Ends Nov 25.

Metropolitan Museum of Art: Te Maori begins its U.S. tour showing the native treasures of New Zealand, with a rich Polynesian heritage of stone and ivory ornaments, bone and stone weapons and wood carving. Ends Jan 6.

CHICAGO

Art Institute: 20th-century drawings from the superb permanent collection including works by Gris, Beckmann, Mondrian, Miró, Matisse, Moore and Picasso. Ends Nov 11.

WASHINGTON

Hirshhorn: The entire third floor of the gallery will be filled with 157 works of painting, sculpture, constructions and installations done in the past decade by 147 artists in celebration of the museum's 10th anniversary. Ends Jan 6.

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Frankfurt/Main, November 1984

COMMERZBANK

AGTIENGESELLSCHAFT

L'ORÉAL

On Friday October 26 1984, the Board of Directors of L'Oréal unanimously adopted the proposal of François Dalle to elect Charles Zviak as Chairman of the Board and Chief Executive Officer, Lindsay Owen-Jones as President and Chief Operating Officer, Marc Ladreit de Lacharrière as Director and Executive Vice-President.

François Dalle who had been since 1957, Chairman and Chief Executive Officer of L'Oréal had, last year, expressed his wish not to continue as chairman after October 1984. The Board of Directors warmly thanked François Dalle under whose chairmanship L'Oréal has become one of the world's leading companies in its field.

François Dalle will continue to play an important role within the L'Oréal group. Chairman of the worldwide Strategic Committee of L'Oréal which will be responsible for determining the fundamental orientations of the Group.

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Wednesday November 7 1984

Mrs Thatcher's programme

RARELY CAN there have been such a contrast between the Queen's Speech which Her Majesty delivered in the House of Lords yesterday morning and the follow-up by Mrs Thatcher in the Commons in the afternoon.

By tradition the Queen's Speech is simply a bare outline of the legislative proposals for the new parliamentary session. The Prime Minister then amplifies in the lower house. What was so striking about Mrs Thatcher's performance yesterday, however, was that she hardly mentioned the legislative proposals at all. Indeed, after a bright beginning, she almost lost the attention of the House altogether. The fall from her usual standards was the more noticeable after excellent speeches — of slightly different kind — by two Tory backbenchers, and a good performance by Mr Neil Kinnock, the leader of the Labour Party.

There could be several explanations. The Prime Minister has been through a terrible few weeks since the Brighton bombing, then the visit to India for Mrs Gandhi's funeral. It is also true that the proposals in the Queen's Speech are basically old hat. Some of them are a legacy from having called the last general election prematurely and without a carefully thought-out manifesto and precise ideas on how to implement it. Many of them are already well known, like the abolition of the Greater London Council and the metropolitan county councils, which was extensively debated in the last Parliament. There was indeed nothing fresh to talk about.

Rural influence

Quite the best explanation is that Mrs Thatcher's mind has switched to new and bigger things. The miners' strike seems to be moving in her favour. There was the cut in base rates. There is the possibility of a resumption of East-West negotiations following yesterday's elections in America. Even the message from the CBI conference in Eastbourne seemed to be reasonably optimistic. All of that is to foster a genuine prospect for the future.

Nevertheless, it was an extraordinary way to treat Parliament. For while the Government's proposals may have

been decided some time ago and their unveiling was only a formality, they still have to be enacted — by the Lords as well as the Commons. And while some of them may seem pretty trivial when measured against progress in arms control or the general performance of the economy, that is not necessarily the view taken by everyone else: for example, Conservative backbenchers.

The future of rural bus services, which figures in the Queen's Speech, is not the most important issue facing Britain, but it does matter quite a lot to a lot of people, many of whom have Tory MPs. The House of Lords is also heavily under rural influence. It would not be surprising if this were the kind of subject on which the Government was to run into trouble. Parliamentarians have to give a great deal of time to committees as well as on the floor. They know it will not bring down the Government, but they know that it can embarrass it. Some MPs make a local reputation by doing just that.

Warning

This is not a criticism of the Queen's Speech as such. There is a natural time lag between a Government deciding what it wants to do and securing the necessary legislation. There is, too, a serious argument that the way to bring about major social and economic change is by a whole series of micro measures, such as contained in the Speech.

Yet Parliament still has to be taken seriously, perhaps even more so when the governing party has a huge majority, many of whose members have no hopes of office. Mrs Thatcher seemed to treat it yesterday with a certain amount of disdain — at least superiority. A reputation could be damaging.

There is a further danger. The Government's national reputation depends very largely on what happens in Parliament, for that is the way most political events are reported. Chancellor Lawson is already in trouble for not paying the House sufficient respect. It would be most uncharacteristic of Mrs Thatcher to stay in the same position, but yesterday was a warning.

Elections in Nicaragua

ABOVE ALL else, Sunday's elections in Nicaragua must be seen as a referendum on five years of Sandinista rule. Having obtained almost two-thirds of the vote in a high turnout, the Sandinistas can claim endorsement for their homegrown brand of Marxism, nationalism and radical catholicism. Equally, the combined opposition vote of over 30 per cent represents an important voice of disagreement which the Sandinistas must now take account of if they are to foster a genuine spirit of national reconciliation and head off the arguments of those seeking to overthrow the regime by force of arms.

Left to themselves, the Sandinistas would have preferred not to hold elections at this time. Confident that they retain the support of the bulk of the population, the Sandinistas believed the ballot-box to be a luxury while the country is still in a state of emergency. However, the need to hold elections primarily to head off their critics abroad, both hostile like the U.S. or friendly like the International Socialists. The Reagan administration has been long convinced that Nicaragua has become a totalitarian Marxist state, committed to export destabilising revolution to Central America; while Nicaragua's friends have been concerned that the regime had been ignoring its commitment to hold elections.

Scrutiny

Although the elections have been forced on the Sandinistas, it nevertheless has been a gamble on their part. They knew that, once announced, the decision was irreversible and that the whole process would be subject to special international scrutiny. Indeed, the Sandinistas can reasonably claim that stricter standards of electoral rectitude have been applied to Nicaragua than to any other Central American election. Efforts by the U.S. administration to blacken the proceedings have lacked conviction.

True, the Sandinistas enjoy a monopoly of power and they have been able to take full advantage of the still ill-defined relationship between the San-

dinista Front as a party and the state apparatus. There have been incidents of oppression, harassment and censorship of the opposition press. By extending the voting age to 16-year-olds, the Sandinistas also had a major pool of enthusiastic followers.

But the opposition were able to make their views known. People talked openly about the appalling shortages in the economy, the decline in middle-income groups' living standards and the abuse of power by the Sandinistas. Furthermore, the vote was conducted in a manner which international observers and foreign journalists found hard to fault. There has been no suggestion of fraud.

Boycott

In retrospect the main right-wing opposition grouping, Coordinadora Democrática, headed by Arturo Cruz, misplayed its hand. Cruz sought to deny the validity of the elections by boycotting them. However, those areas where he would most likely pick up support — the populated Pacific coastal belt — produced a 90 per cent turnout with significant support for the Conservative Party. People wanted to vote.

The overall level of abstentions and spoiled votes — a natural way of protest — was limited. This suggests that the anti-Sandinista rebels fighting against the regime do not have widespread support.

The latter aspect should be noted when measured by the administration because the moral and material backing for the "contra" rebels comes from the U.S. Cruz and his Coordinadora now must decide whether to take part in the national dialogue being offered by the Sandinistas or throw in their lot openly with the contras. They should opt for the former.

If the Sandinistas have passed their first test with respectable results they must now build on it by giving positive evidence of a continuing commitment to pluralism. Only in this way will they demonstrate that the elections were something more than a cynical exercise in acquiring international legitimacy.

THE DEBATE, with its now-familiar landmarks of poisoned lakes and dying trees, often seems obscure. It is marked by fiercely asserted claims and counter-claims, yet a near-total lack of consensus among scientists.

But air pollution in Europe — or "acid rain" as it is often inaccurately described — has moved from being the sole preserve of fringe environmental groups to the very centre of the international political stage. At stake are crucial policy decisions for Europe's power-generating, coal, engineering and motor industries, involving investments worth billions of pounds, and inevitable knock-on effects for entire economies. In no country will the decisions be more important and more painful than in Britain.

To begin with the received and more or less generally accepted wisdom: the term "acid rain" covers a multitude of environmental sins, from acid rain, snow or mist, to deposits of dust from the atmosphere. Even some non-acidic substances — such as ozone — are now implicated.

All these phenomena are believed to be responsible in some way for a range of environmental damage, generally at some distance from their source.

The damage in Germany and Scandinavia, largely, though not entirely, on acid rain, is by now well-documented. According to scientists in the region, rising acidity in the lakes and rivers has been killing fish and other aquatic life at an alarming rate for years, even decades.

A report prepared for the European Commission by Government Resources Ltd, a London-based consultancy company, said more than half the fish stocks had been lost in an area covering 20,000 square kilometres of Norway; between 1940 and 1980, Sweden, fish have been killed in up to 4,000 lakes.

In Germany, the figures are even more startling. This year, half of West Germany's forest areas are reported to be covered with sick trees, with only 8 per cent in 1982. (This dramatic change may reflect the fact that research into forest damage is growing faster than the trees are actually dying). Some areas are particularly hard hit: for example 68 per cent of the Black Forest in Baden-Württemberg is affected. The damage extends to other European forests and lakes, although the extent is not clear.

In half the forests of West Germany the trees are sick.

In Britain, too, there have been reports of acidification of water in Scotland, Wales and the Lake District.

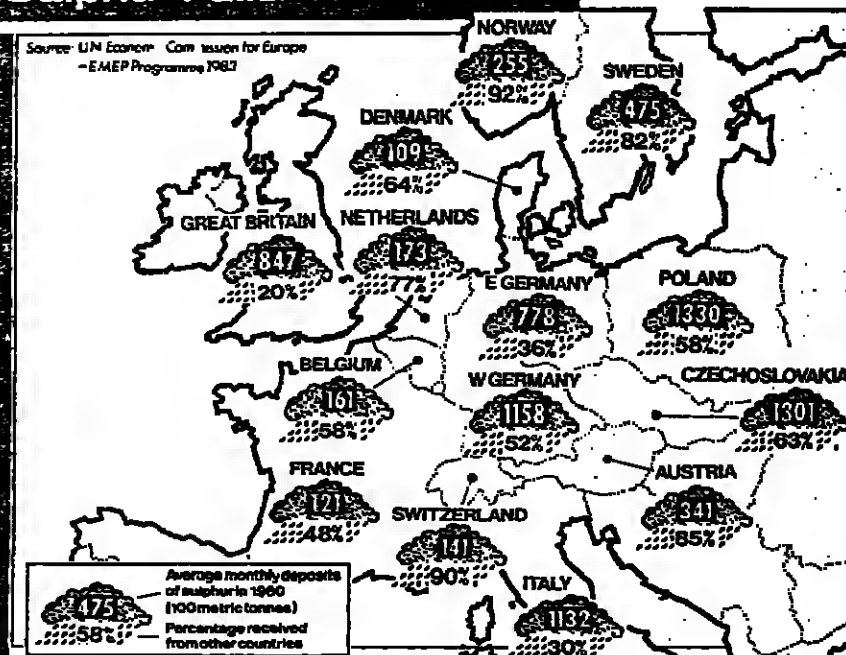
But that is where the scientists cease to agree. It seems that as more research is done into acid rain, the more complex the issue becomes and the less certain people are about its cause.

In the early 1970s, when the issue first came to public attention, the culprit was almost universally pinpointed — particularly by environmentalists — as sulphur dioxide. This is emitted largely by industry, burning of coal or heavy oil, and is transformed into sulphuric acid in the atmosphere.

Britain was identified as a



Where the Sulphur Falls



Marion Sadler

Air pollution in Europe

'Acid rain': now the debate moves to centre stage

By Andrew Gowers

particular villain of this piece because it was — and still is — Western Europe's largest emitter of SO₂, and partly because of the so-called "fall sticks" policy operated by its coal-fired power stations since the 1950s which shift air pollution into the upper atmosphere and offshore away from British towns.

However, Britain's sulphur emissions have been declining since 1970 — and acidification of Nordic lakes apparently has gone on unabated. So concern has focused increasingly on the nitrogen oxides (NO_x) emitted by power stations and cars, as well as leading to the precipitation of nitric acid, they are believed to react photochemically with other substances in the atmosphere including hydrocarbons, to create ozone, which in abnormal high concentrations is now thought to play a key role in tree and possibly crop damage.

Here lies the crux. Not many people would deny that each of these various elements makes a contribution to polluting the atmosphere and the environment; but the question is, what contribution? And beyond that, who should pay for its elimination, and when?

The answer to those questions lies ultimately in national and international politics. For, no matter what the scientists may say, political pressure is now the main force in the European debate.

Sweden set this ball rolling. Applauded by the damage to its lakes, and convinced that sulphurous emissions from other countries were a major

cause of the problem, it organised the first international conference on the subject in 1972.

Subsequent years saw more and more governments climbing on the bandwagon, with the United Nations convention on trans-frontier air pollution and the establishment of a "30 per cent club" of nations committed to reducing their emissions by 30 per cent by 1993.

That movement, initiated by Canada, has been startling success. Twenty countries, including most EEC members and several East European states,

Britain and the U.S. against making commitments to reduce emissions. But the revelations about the death of the forests, and the anxiety of an increasingly vocal and broad-based environmental movement, eventually proved too much.

The U-turn on acid rain was one of the Schmidt coalition's last acts, and confirming it was one of the incoming Kohl coalition's first.

The result is a flurry of legislation in Bonn to clean up power stations and vehicles. By 1993, all power plants must be fitted with scrubbers to desul-

phurise their fumes. Total investment is estimated by the Government at DM 10bn (£2.7bn).

On car emissions, Bonn is proposing to set tough emission standards which will require vehicles to be fitted with so-called three-way catalysts to remove nitrogen oxides from their fumes in 1989.

The speed and suddenness with which Germany has moved has thrown its European partners into confusion. Joined into action by German pressure and by a strong commitment to the environment from last year's Stuttgart summit, the European Commission

has come up with a series of draft directives on the subject, some of them closely modelled on German legislation.

Two documents in particular look set to provoke long and probably acrimonious negotiations: ● A proposal to control emissions of sulphur dioxide, nitrogen oxides and particles from new power stations and industrial combustion plants and to reduce overall emissions from existing large plants by 60 per cent for SO₂, 40 per cent for NO_x and 40 per cent for dust by 1995.

● A proposal to limit emissions of NO_x, carbon monoxide and hydrocarbons from vehicle exhausts to levels equivalent to those applied in the U.S. and Japan, also from 1995. On the basis of current technology, that would mean that all cars would have to be fitted with three-way catalysts.

The proposal on car exhausts is being resisted vigorously by Britain, France, and Italy. Motor manufacturers in these countries fear that the standards would add considerably to the cost of motoring, and they favour going straight over to so-called "lean burn" engines which emit less nitrogen oxide as well as consuming less fuel. But British officials involved concede that, with Germany already well on the way to making catalysts compulsory, the trend may already have its own unstoppable momentum.

Companies like Britain's Johnson Matthey Chemicals, the largest catalyst maker in the world, are already licking their lips.

Additional research by Paul Chesserlight in Brussels and Peter Bruce in Bonn.

At stake are crucial decisions involving huge investments and affecting entire economies

have now signed up — although there is some doubt over the extent of the East Europeans' commitment: they are among the worst polluters. Britain, which says it will aim for a 30 per cent reduction by the year 2000 but will give no formal commitment, remains in an uncomfortable minority.

In Western Europe — in the company of Ireland, Greece, Spain and Portugal.

What launched the European Community on a new trajectory in the fight against acid rain was West Germany's conversion to the cause in 1982. For a decade, Bonn had held the line with

phurise their fumes. Total investment is estimated by the Government at DM 10bn (£2.7bn).

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The UK Government is caught between conflicting pressures

The Government believes it would be foolish to commit large sums until there is more solid scientific evidence as to what such investment would achieve. But, as officials clearly "diverge" with the subject well known, it may not come down to a cool, scientifically-based decision in the end.

After all, when the Government decided last year to phase out lead from petrol, it was not science but politics which provided the final spur to action. And as one official points out, "the evidence for taking action on lead in petrol was not nearly as good as that for acting on acid rain."

Additional research by Paul Chesserlight in Brussels and Peter Bruce in Bonn.

Life on Wall Street

Whether "to have fun" will continue to be one of the corporate objectives of Wall Street securities firm Donaldson, Lufkin and Jenrette, now that it has become part of Equitable Life Assurance of the U.S. may be doubtful.

But 25 years of steadily growing profits have not yet erased all the swashbuckling style with which it was set up in 1889 by three friends from Harvard Business School — William Donaldson, Daniel Lufkin and Richard Jenrette.

The trio, all in their early 20s then, decided to go into the brokerage business. It is said, because it was "the only business in America that hadn't had a new idea in 100 years."

While other firms filed brief reports on stock prices, the trio, who had founded Equitable Life Assurance of the U.S. in 1889, had already built up a reputation for institutional investors.

It was the first member of the New York Stock Exchange to go public in 1970.

Lufkin, an ardent outdoorsman, left shortly afterwards, having restored the family fortune lost in the Depression. He was then reputed to be worth \$35m. He turned to public service as head of Connecticut's department of environmental protection and now pursues venture capital schemes and raises horses.

Donaldson also departed to head his own private investment company, but Jenrette stayed on as DLJ's chairman.

The trio got together again earlier this year to celebrate DLJ's 200th birthday with a lavish \$200,000 party at Jenrette's Grecian-portalized mansion, bought from Gore Vidal, 100 miles up the Hudson River.

Men and Matters

of the American Revolution and the country's early financial history, painted in 1792 by John Trumbull.

The jewel of the collection is a life-size portrait of Alexander Hamilton, first U.S. Secretary of the Treasury, painted in 1792 by John Trumbull.

Date-line

Does the date of a world economic summit, usually the occasion for bland public statements and eminently forgettable final communiques, really matter? Not much, might think. But the next gathering in 1985 in Bonn could be different.

As a rule, the annual meetings of the big seven industrial powers take place in June or July. But the signs are that the West Germans will bring the event forward to the first week of May.

Despite protestations to the contrary, Chancellor Helmut Kohl was distinctly miffed that he was not asked the 40th anniversary celebrations of the D-Day landings last June. Now, he seems determined that the Western allies should show their solidarity with modern West Germany just before another 40th anniversary — that of the final surrender of the Nazi Reich on May 8, 1945.

And with good reason. The Soviet Union has for months been gearing up for a huge celebration of the date, not least with a withering propaganda campaign directed against the supposedly reborn "militarism" and "revanchism" of Bonn.

The charges may be nonsense but they have struck a sensitive nerve. So what better way of pre-empting the Russians than to have a very public demonstration of the friendship of Moscow's old wartime allies with the new German state? For Bonn, one picture of



"Bit of luck for your lot Georg — lowering the lost deposit threshold"

Chancellor Kohl, the beaming host, may have a thousand well-meaning communi-ques.

Over the counter

On the eighth floor of a Park Lane apartment block — defended like a fortress — the Al-fayed brothers Mohamed and Ali, were in relaxed mood as they contemplated the fuss that they had caused by taking over Lomax's 29.9 per cent stake in House of Fraser.

"We have done the deal," said Mohamed, the older of the two who did most of the talking. "We don't want headaches. We are friends with everyone. We don't make enemies. You can't do business by fighting."

The brothers, who prefer the low profile life to run their business (which employs 5,000 people worldwide) have found themselves on the edge of a high profile conflict with Tiny

Rowlands. Rowland has refused to resign from the board of Fraser. "Our understanding is that he will resign definitely this week," said Mohamed. "If he decides to remain on the board — so be it." But the deal with Rowland has obviously created a few problems. Nothing was set down in writing. And the subject of Rowland's possible resignation was not broached during the transaction of the deal lest it be jeopardised.

"The deal was done on the basis 'I deliver you the shares, you deliver me the cash.' It was like making a purchase over a counter."

For the future, the two men, who are themselves to join the Fraser board, are brimming with ideas of how to market the Harrods name. They are not in favour of floating-off Harrods from the rest of the Fraser group in a demerger — a plan favoured by Rowland. "The company is better together," they say.

Breaking rank

I wondered in this column a few weeks ago what would happen to Continental Illinois' annual ranking of City stockbrokers' analysts in the wake of its trouble.

An answer seems a bit closer with news that Geoffrey Osmint, the man who compiled the list, has just left Continental for County Bank, NatWest's merchant banking arm. Osmint specialises in international fund management, a business which Continental is running down but County is keen to build up.

But it is still a moot point whether Osmint will now issue his list under a new imprint. That was not why County hired him. More to the point, though, County Bank is now in the thick of the stockbroker business through its newly-acquired links with Fielding Newton-Smith and Bisgood Bishop, and the word from its headquarters in the City yesterday was: "We could not be described as objective."

Observer

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INTERVIEW WITH LEON BRITTAN

The public's confidence is vital

By Robin Pauley and Malcolm Rutherford



NO EVIDENCE exists to support the view that there is any link between unemployment and crime, even among jobless youths, Mr Leon Brittan, Home Secretary, said during a wide-ranging interview with the Financial Times.

The Home Secretary, who was relaxed, confident and clearly enjoying his portfolio, stressed repeatedly that public confidence was the key determinant of his policies.

But on the Government's seemingly most serious current problem of public confidence—unemployment and its potential as a catalyst for social upheaval—Mr Brittan said Home Office research suggested that the general perception of a link between unemployment and crime was unfounded.

My approach to matters is not materially influenced by that finding because I regard unemployment as being intensely undesirable whether it causes crime or not. You

So policy would not be determined by unproven public perceptions. But it would definitely respond to public opinion. "If you get too far ahead you cannot survive." British public opinion about crime had not, in his view, changed during the past 15 to 20 years, and was no more or less in favour of a repressive approach today than it was then. "What politicians do may have changed a lot but I don't believe that public opinion has changed substantially."

Nor was there any analogy to be drawn between Britain and the U.S. over attitudes to crime and punishment at the policy and judicial level. He agreed that in America there was a cyclical tendency for the U.S. Supreme Court to move from liberal positions to very conservative attitudes and back again. But there were no parallels in Britain and no evidence of a move from a more liberal approach. Attempting to attach labels such as liberal or illiberal to the Government's strategy was not useful and involved categorisations which he was not prepared to accept.

People might decide to label moves such as extension of police powers or longer minimum sentences as illiberal but the same strategy involved extending public safeguards and trying to get people out of prison who should not be there, which would be an extension of the so-called liberal approach. This was the concept of balance and public confidence. "If you need the police powers you shouldn't shy away from giving them, but you should also magnify the safeguards. In that way I'm not shirking anything or seeking to shelter away from labels but genuinely putting something forward which cannot attract a label of that kind."

This was fundamental to his strategy. "We are trying to look at it as a whole in a way that perhaps hasn't been done before and I suppose there are three themes: public confidence in the criminal justice system is absolutely crucial. Unless the public feels that you are treating their concerns seriously I do not believe that it is possible to proceed in a sensible way. Secondly, this is an area classically where you have to have a balance between the rights of the individuals and

the concern for the wider public for protection against crime. Thirdly, in this, as in all other areas, it is right to look for efficiency and effectiveness."

This search for balance while responding to public opinion was behind the tougher sentencing policy for serious crime. "I do believe that unless the gravest offences are treated with a severity the public regards as reasonable and appropriate you will not get public support for handling the whole of the criminal justice system in a complex and variegated way that is necessary and appropriate."

"I do not regard that as revenge; if you call it retribution I am prepared to accept it as that." Terrorist offences were an example where retribution through long sentences was appropriate. Mr Brittan said he had not changed his views about the death penalty since his Commons speech in July 1983, when he said he was opposed to it for all but terrorist murders. He does not, however, appear anxious to have another go at this topic and, along with most of the Cabinet, seems to regard the subject as closed.

"It relates to public confidence. There is a widespread view that life sentences do not

amount to very much by the time the Home Secretary gets at them. I think it is rather important to make it clear that it is not true."

He also thought it very damaging and inappropriate for long sentences for non-murders, violent bank robberies, for example, to be reduced in reality by two-thirds after remission and parole.

This tough approach would be further balanced in a future Criminal Justice Bill, which would concentrate more on the victims of crime—the concept of reparation and depriving criminals of the proceeds of their crimes.

On the other hand, Mr Brittan said he was determined that, once imprisoned, criminals should serve their sentences in better surroundings. He had accelerated the building programme which "on present trends should mean an end to overcrowding at the end of this decade. Moreover, a UNESCO decision to quite forget its implied threat of April to serve notice if changes were not made would give Mr M'bow an additional reason for building his European critics in contempt."

The present UNESCO position remains that there is no crisis in the organisation and that no substantial changes are necessary. Those who believe that UNESCO's present policies with their strong collectivist and anti-western flavour are deeply as damaging to the interest of the people of the Third World as they are to western interests will not, I think, be impressed by your argument that a threat to withdraw would be construed as "something of a political act."

Mr M'bow is an intensely political, as well as highly intelligent man, and sees all issues in political terms. To suppose that there is some available means of reform which is effective, and yet which would not be thought of as "political" is extremely patronising to the UNESCO Third World leadership; it also implies an infirmity of moral, intellectual and political purpose.

Gerald Frost, 13-14, Golden Square, W.1.

"The political anxieties which prevented my predecessors in both parties from doing anything has proved unwarranted. We have made quite a trumpet about what we are doing and it has been regarded sufficient of a slur on our national conscience for it to have been possible to take action on the prisons without there being a political downside."

This was part of the long-term strategy which developed as soon as Mr Brittan arrived at the Home Office. "I knew for sure that there would be major events which would blow one off course in the sense of requiring total absorption in a particular crisis for a time. There was no conceivable way of knowing what it was going to be—St James's siege or a bomb at Brighton. But one knew it would happen."

Thus it was important to have so clear a concept of what was going to be done that these inevitable crises would not defect from the longer term.

Future Bill will concentrate on victims

Developing this strategy had shown the Home Office responsibilities to be wide diverse and substantial but also sustainable. He had, therefore, no plans to reform the Home Office.

One area where some reforms would be needed, however, concerned policing arrangements after the miners' strike. "In the country as a whole I think the relationship between the police and the community is a reasonable one. But it would be ridiculous to pretend that there hasn't been a strain in the mining areas and that is something we shall have to deal with after all this is over."

Mr Brittan agreed that the police were unhappy about their role on the picket lines. "They do not like having to do it and I do not like the fact that they have to do it. But their morale is high because they are doing a proper policing job, namely preventing people's civil rights being taken away from them by others seeking to impose their will by force."

UK bank auditors

Legal constraints that need to be lifted

By Peter Wood

NOW THAT some of the dust surrounding the "Johnson Matthey affair" is settling, it is opportune to shed a little light on the reality of the UK bank auditor's task. But, before doing so, it is worth noting that one of the most depressing aspects of the affair is the manner in which certain MPs, bankers and journalists have demonstrated a clear lack of understanding of bank auditing and supervision.

Respectively of fact, the part played by Johnson Matthey's auditors and the Bank of England has been judged and, apparently, been found wanting. But were these self-appointed judges all at once aware of all the facts? Did they understand the issues? Did they consider the case for the defence? The answer to all these questions is, unfortunately, a resounding "no."

A common area of misunderstanding is bad debt provisioning: all too many people seriously believe a bank's provisions are determined by its external auditors. In fact, nothing could be further from the truth. The bank's management decides on the level of provisions and these are reviewed by the auditors for "reasonableness" based upon the information available.

The auditor does not, and cannot, decide whether the provisions are "correct"—only time will tell. He, after all, at best has only the same information available to him as does the bank's management. That said, auditors will naturally tend to adopt a more pessimistic view than management and, consequently, differences of opinion inevitably arise. Where these differences are, in monetary terms, immaterial, then a satisfactory compromise can usually be found. However, what happens if the difference is material? The answer is that this is when the auditor's problems can start.

If a UK bank auditor cannot agree with management on a material matter (be it in relation to provisions or any other area) then he has three choices: (a) qualify his audit report; (b) give a "clean" (i.e. unqualified) report; or (c) resign his appointment.

What he cannot do, without breaching the confidentiality of the client-auditor relationship, is independently seek advice from the Bank of England.

Whilst these options might seem relatively straightforward, the situation is far from simple. If the auditor of any significant UK bank were to qualify his report or to resign his appointment without giving an opinion then there would be an inevitable market reaction—a loss of confidence. Any serious qualification to a bank's audit report would almost certainly bring about the demise of the bank: a qualified bank audit report is a self-fulfilling prophecy.

Given that management's opinion may be as valid, albeit different, as that of the audi-

al—the auditors: the supervisory authority; the directors; the defaulting borrowers or the perpetrators of fraud.

Albeit that auditors or the Bank of England may sometimes be at fault, it is inconceivable that they are always at fault. They might be convenient "scapegoats," but surely a resolution to the underlying problem is preferable for the long term.

Given that a problem exists (and surely only the most complacent would deny this), how can it be resolved?

The key to the problem is twofold. First, bankers, auditors and the Bank of England must recognise that it is no longer realistic to expect the supervisory authority and bank auditors to contribute to the maintenance of a stable banking system without legal recourse to mutual communication. Neither can perform its respective tasks in isolation from the other. Although the very thought of direct communication between the Bank of England and auditors fills bankers with horror, surely communication is essential if our banking system is not to be abused? Failing a change in the law, perhaps the audit reports of UK banks should carry a public health warning for the benefit of depositors.

Second, the quality of bank supervision and auditing could be improved. It is perhaps time that greater consideration was given to introducing supervisory inspections and to utilising improved analytical techniques to detect potential banking irregularities. It is certainly time to introduce a system of approved bank auditors.

Clearly, these solutions require more detailed examination. However, what is certain, is that a capital which prides itself on being a major financial centre and on having the highest ethical and business standards should not tolerate the collapse of any financial institution under circumstances that call into doubt the very effectiveness of its supervisory and auditing standards and procedures.

The author is a senior manager specialising in banks and other financial institutions with Deloitte Haskins & Sells Management Consultants. He is a principal contributor to the ICAEW Bank Accounting and Auditing Guide.

Opinion on crime has not changed substantially

don't need to have the extra crime link as a reason for regarding it as deplorable."

He agreed that one reason for the belief in such a link may have been that the 1981 urban riots, accompanied by widespread criminal activity, occurred in areas of very high youth unemployment. That was fortunately a short-lived phenomenon in which the actual incidence of crime, although horrific, did not contribute to the total of crime. "One would be very foolish to say that something is never going to happen again but I think very positive action had been taken to make it much less likely."

Mr Brittan agreed that he had made a major effort to inform the public that crime and unemployment did not seem to be linked. "I have no wish to shout from the rooftops because, one, it is to be misconstrued as implying that one doesn't think that unemployment matters or that crime matters."

Overfunding and mortgage bonds

From the Senior Economist, Gricevson Grant

Sir,—The argument that overfunding does not matter is a dangerous illusion. Overfunding and the concomitant additions to the bill mountain have become the key elements of monetary control in the UK. The authorities, no longer raising interest rates to slow the pace of monetary growth, they buy prime bank bills instead.

To argue that this temporary expedient provides a permanent solution to the problem of monetary control is not correct. As the growth in lending continues to outstrip the permitted growth rate of M3, so the bill mountain will expand. By the spring of 1985 the mountain may well top £15bn.

Summing up this peak may prove difficult if, as seems very probable—the corporate sector is not issuing bills in the quantity required. Since banks hold precious little gilt-edged and treasury bills, the Bank may well be faced with the problem of what to buy to facilitate overfunding.

If such a shortage of "liquid paper" was to occur, the most obvious substitute would be certificates of deposit issued by the primary banks. The Bank would use the gilt-edged market to fund the banks' lending to their clients. The placing of large sums by a central bank of deposit with the commercial banks may not be considered overly prudent since the monetary authorities might, at some stage, wish to withdraw the funds, leaving the banks partially dependent upon them.

We would suggest a more attractive alternative to current arrangements. Since the reason for overfunding is excessive borrowing by the private sector, why not encourage the private sector to do its own funding? Efforts have already been made by the authorities, of course, to encourage the growth of the corporate bond market, but the task is hopeless as long as overfunding continues to distort the yield curve.

The corporate sector, however, has not been the principal source of bank borrowing over the past few years. In the five years to the end of the second quarter of 1984, total lending to the non-financial corporate sector amounted to £21bn while that to persons totalled £24bn. Of this latter figure, some £13bn was in the form of mortgages.

In contrast to the U.S. capital markets, there is not a thriving market in mortgage bonds in the UK. In 1983 for instance, some \$85bn of new money was raised in the U.S. mortgage bond market, which would otherwise have come from the banks or other financial inter-

Letters to the Editor

mediaries with obvious implications for the monetary aggregates. If mortgage finance could be provided by the bond market in the UK, the need for overfunding would be reduced. Such a market would only prosper if the bonds were allowed the same tax basis as gilt-edged and they had similar income and capital maturity profiles.

As the personal sector will probably remain the principal source of additional bank borrowing for several years to come, the authorities would do well to take a serious look at these bonds as a means of funding bank lending directly. The bill mountain may well seem a convenient device at present, but some day it will be liquidated and the authorities will not want to add £15bn plus to M3 if the ever expanding volume of personal lending is placing even greater upward pressure on the monetary

Mike Osborne, 59, Gresham Street, EC2.

Reforming Unesco

From the Executive Director, Institute for European Defence and Strategic Studies.

Sir,—Your leader "Reforming Unesco" (October 30) assumes that the Prime Minister and her Government have a simple and straightforward choice between continuing to seek reform from within Unesco and "deciding to go along with President Reagan and get out because that is where her instincts lie."

That is a misleading version of the situation. Those who favour a British decision to serve one year's notice to withdraw do so in the belief that such action is the best way to stop and reverse the deeply established processes of politicisation, economic waste and possible corruption within the organisation. It is widely believed that such action would result in similar decisions by other western countries, thereby maximising the pressure for reform. Once Britain has given notice to quit, Unesco has a full year to change its ways.

The argument, therefore, is not between those who want to go and those who want to stay, but between those who stay about the meanings of obtaining change. Few, if any, of Unesco's critics doubt the desirability of seeking to achieve the organisation's original aims of promoting education and science, increasing literacy and encouraging the free flow of information. They have merely come to the conclusion that in its present form and with its present leadership, Unesco is a demonstrably unsuitable agency through which to pursue these highly desirable goals, and that in several important respects, the organisation's present operations prevent these goals from being attained.

The trouble with your argument about seeking reform from within, is that it fails to explain why Mr M'bow, the Unesco general director, should feel any compulsion to make significant changes when so many western admonitions and warnings from within should have been wholly ignored. Moreover, a British decision to quite forget its implied threat of April to serve notice if changes were not made would give Mr M'bow an additional reason for building his European critics in contempt.

The present UNESCO position remains that there is no crisis in the organisation and that no substantial changes are necessary. Those who believe that UNESCO's present policies with their strong collectivist and anti-western flavour are deeply as damaging to the interest of the people of the Third World as they are to western interests will not, I think, be impressed by your argument that a threat to withdraw would be construed as "something of a political act."

Mr M'bow is an intensely political, as well as highly intelligent man, and sees all issues in political terms. To suppose that there is some available means of reform which is effective, and yet which would not be thought of as "political" is extremely patronising to the UNESCO Third World leadership; it also implies an infirmity of moral, intellectual and political purpose.

Gerald Frost, 13-14, Golden Square, W.1.

Spending by the GLEB

From Mr D. McCarthy.

Sir,—I am most grateful to the Director of Information at the Greater London Enterprise Board (November 1) for confirming that I have concentrated on the real issue of the finances of the GLEB.

Any misunderstanding of the role of the rate and taxpayer can be clarified by John Palmer on production of evidence that all the 2,000 persons whose jobs were created and preserved were "a couple with two children on average earnings." Rate and taxpayers would indeed owe the GLEB an immeasurable debt of gratitude in the secure knowledge of savings of £15m having been made in its tireless efforts of working for London.

The original concept and prime purpose of the establishment of the GLEB was "to create jobs." If this is its major purpose and the advent of John Palmer insist that "the direct investment cost per job created or preserved is £4,500," the major cost for the "almost 2,000 jobs" is £9m. This dwarfs into insignificance the £22.6m which came under the heading of "other expenditure."

The comparison to other areas of public expenditure and project investment is extremely helpful as the mention of a motor car company brings to mind the amount of taxpayers' money invested in creation of jobs in Northern Ireland. The GLEB has only been in existence for under two years and used £31.6m and has some time to go before it can equal the record of the De Lorean project which created 2,600 jobs over a period of four years at a cost to the taxpayer of £77m.

D. G. Franklin, 121 Kennington Road, SE11.

Uphill work for electric vans

From Mr D. McCarthy.

Sir,—Your report (November 2) of the Post Office's decision to buy electric vans says that they are pollution-free and economical and that both types in question have "top speeds of about 50 mph."

But what speed with normal full load uphill? Recently I followed an electric milk float up a half mile hill of moderate gradient. By the top of the hill my car was one of a queue of some 25 cars, vans and lorries, petrol and diesel. Instead of the normal fourth or third gear with moderate throttle opening, all of us were in first or second with wide throttle and taking four times as long for the distance as normally.

The electric van's economy was paid for with massive waste of fuel by the other vehicles. It caused, at a guess, 15 times as much pollution per yard as the other vehicles would otherwise have been responsible for.

D. J. McCarthy, Church Farmhouse, Sudbourne, Woodbridge, Suffolk.

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Reagan maintains lead as U.S. goes to the polls

BY REGINALD DALE, U.S. EDITOR, IN WASHINGTON

ALMOST 100m Americans went through the complicated ritual of choosing a president yesterday with their usual election day mixture of camaraderie and complaint.

The latest opinion polls showed President Ronald Reagan maintaining a reduced but still significant 12 to 15 percentage point lead over Mr Walter Mondale, his underdog Democratic challenger. Voters however, many of whom turned out in the dark at 6.30 am on the East Coast, were not taking the outcome as a foregone conclusion.

Bright, sunny autumn weather brought what election officials said was an unusually high turnout in the Mondale stronghold of Washington, DC. Wet, cold and windy

weather however, was forecast for much of the rest of the country.

Mr Mondale and his history-making vice-presidential running mate, Ms Geraldine Ferraro, both seemed exhausted by the long campaign - which Mr Mondale has been conducting for almost four years - and expressed relief that it was over.

Mr Mondale delivered an emotional election-eve tribute to the people of his home state of Minnesota. "Tonight I end what may be the longest campaign in American history," he said.

"For thousands of miles, through long days and long weeks and long months, and now long years, through all the joys and heartaches, I can bear you... pushing me on."

"Whatever the result, I have given this campaign everything I've got," he said. Mr Ferraro insisted to the last minute that the Democrats were going to "prove the pollsters wrong."

At Washington polling stations, the mood was cheerful and relaxed as voters stood in line for up to 20 minutes to exercise their democratic rights on voting machines that were not always easy to understand. The instructions never seemed to be clear enough.

The voters had to provide proof of registration, check their names and addresses, and then insert voting papers into a plastic holder that allowed them to use a small machine to punch holes in the paper against the names of their chosen candidates.

Their vote was instantly recorded.

They were voting not only for president, but for a DC delegate to the House of Representatives and "an at-large member of the Council of the District of Columbia - vote for no more than two (2)," according to the ballot paper.

On the ballot, alongside the Democratic and Republican tickets, were the Workers' World Party, the Socialist Worker Party, the Libertarian Party, the Communist Party of the USA, and two independents. It does not do to make a mistake on a voting machine; you risk cancelling your vote.

One voter was afraid that she might have annulled her opinion by

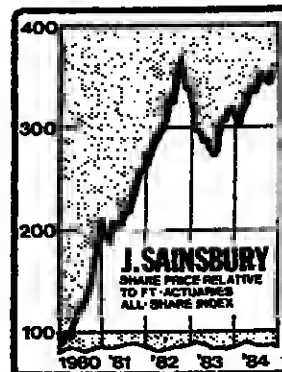
voting for the Mondale-Ferraro ticket twice.

Outside the polling station, Mr Mark Plotkin, a local Democratic ward committee member, was standing the regulation 50 feet from the door trying to convince voters to plump for his chosen candidate for the council. He was receptive to complaints about lack of information on the candidates on the ballot paper, but nostalgic for his native Chicago.

"I have no patronage, no influence here," he complained. "If this was Chicago, I would be able, as a ward committee man, to feed a family of four and appoint two judges. I would be able to cancel parking tickets and get people into medical school," he said wistfully.

THE LEX COLUMN

Speed traps on the M3



than the 13 names on show, but the list does boast a third UK corporate issuer in the space of a month or so, with BTR looking for DM 150m.

UK companies have been conspicuously absent from the run of heavy new issue calendars which have been such a feature of the D-Mark Eurobond market this year. If sterling's strength against the D-Mark has been a deterrent, the tremors in the D-Mark/dollar rate in recent days can only have added to the foreign exchange uncertainty.

Companies such as BTR with substantial D-Mark earnings may continue to jump at refunding opportunities for existing bank debt - but those without D-Mark assets will no doubt take a different view of those alluring D-Mark coupons.

J. Sainsbury

Either the market is becoming a little quicker or J. Sainsbury a little slower. Until recently, the group could almost be relied upon to produce results just ahead of the more optimistic outside forecasts. But in the past year the company seems to have lost its magic touch - yesterday's interim results actually left the Sainsbury family a few million pounds poorer, if that is the word.

There was, on the face of it, nothing in the figures to justify an 8p fall in the share price to 232p. Profits rose by a fifth to £75.1m pre-tax in the six months to October while net margins held at a level of which other food retailers can only dream. Yet, while yesterday's statement showed the well tested Sainsbury machine in excellent running order, the engineers do appear to be pushing it harder for results. Volume growth of 24 per cent was recorded

in established stores which is good enough but, with food price inflation slipping back to around 5 per cent, not the kind of performance to justify a dazzling rating.

Sainsbury's answer, as so often before, is to build new stores and increase its market share. But that strategy may at last be showing diminishing returns. This year's capital spending programme, estimated at around £190m, not too many months ago, has since mounted to about £225m. Prime sites, it appears, are expensive. The quality of Sainsbury's earnings is as high as ever but, on a prospective multiple of 20 times (assuming £150m pre-tax for the year), the shares may be relying a little too heavily on past glories. Those glories, however, are not to be ignored.

Wolseley-Hughes

As befits a distributor of plumbing and heating equipment, Wolseley-Hughes is commendably leak-proof. Yesterday's excellent figures for the year to July sent the share price all over the place, before settling for a 48p gain at 551p.

It was also an apt announcement for the day of the U.S. presidential elections. It would appear that Reaganomics has produced a positive frenzy of construction activity in the south-eastern states of the U.S., the stronghold of the group's Ferguson subsidiary.

But then, this has been an annual mirabilis for the group all round, on a scale which will be hard to repeat. Within a total increase in pre-tax profits of 64 per cent to £25.3m, the doubling of U.S. profits was the most striking feature. But the one-third jump in profits from UK heating and plumbing distribution was also fairly remarkable, even after allowing for a £1m turnaround in the tube distribution business and the one-off effect of trade stocking ahead of the imposition of VAT on home improvements.

In the current year, a UK downturn looks inevitable - which, with a slowing in U.S. growth, may well leave profits broadly unchanged. This would put the shares on a multiple of just over 7 - cheap enough provided that looking further out one accepts the proposition that the next downturn in the building materials cycle will be less violent than the last.

Britain narrows spending overshoot

By Peter Riddell in London

INTENSIVE discussions in the last two days have reduced British Government departments' spending bids for next year to only £600m (£750m) above the Government's overall target of £131.6bn.

This emerged yesterday as the Government, in the Queen's Speech opening the new session of Parliament, emphasised its determination to "maintain firm control of public spending." The speech traditionally outlines the Government's proposed legislative programme.

The Cabinet will make final spending decisions tomorrow morning. The Prime Minister has been deeply involved in the past two days of talks, which have narrowed down the areas of difference between ministers primarily to energy prices and housing.

Three weeks ago, the excess of bids over the target stood at £2.5bn. This has been steadily reduced by the "Star Chamber" committee of ministers under Lord Whitelaw, the leader of the House of Lords, and senior ministers believe the remaining £600m can be eliminated by a series of compromises tomorrow between the Treasury and spending ministers over next year's electricity price rises and over cuts in house improvement grants and urban aid.

The Chancellor's economic statement, spelling out the spending plans, is likely to be on either Tuesday or Wednesday.

All the main Bills in yesterday's Queen's Speech have been foreshadowed. They were yesterday being presented as a further instalment of the ongoing programme of increasing competition, reducing regulations and privatisation across a wide range of sectors.

At the beginning of the six-day debate on the speech, Mrs Thatcher said the Government was committed to "free enterprise which is wealth creating, rather than an expansion of the public sector, which is wealth consuming." She highlighted the privatisation programme, referring to the 11 major companies already transferred from the public sector to the private sector and to the plans for the coach and bus industry.

The Prime Minister expressed concern over unemployment and attacked the Labour Party over nuclear defence and over alleged support for law breaking in a motion on local government at its party conference in Blackpool last month.

She said democracy was dependent on a fundamental constitutional convention of obeying the law, and linked this with the use of violence for political ends and the denial of the supremacy of Parliament.

The Confederation of British Industry leaders will present the Prime Minister with a list of industry's priority areas for action following their annual conference which ended in Eastbourne yesterday. These will include the need to remove all barriers to business performance, particularly so far as the EEC is concerned.

Appeal in miners, Page 8;
Employers' conference, Page 12

Renault job cuts will cost over FFr 500m

BY PAUL BETTS IN PARIS

RENAULT, the French state car group, expects that efforts to reduce its French workforce by voluntary early retirement incentives will lead to a special charge of between FFr 500m and FFr 600m (\$86.7m) on its 1984 financial results.

The company reported a first-half loss of FFr 3.6bn this year but Mr Bernard Hanon, chairman, said yesterday that he still expected the losses in the second half to be lower than in the first six months of this year.

An improvement in Renault's loss-making heavy trucks division in the second half is expected to help the group's overall financial performance this year. The commercial performance of the recently-launched Renault Super 5 mini, however, will clearly have a significant impact on the group's final financial performance this year, Mr Hanon said.

He said the relatively slow marketing start of the new Renault super-mini was no surprise. He expected "it would take some time for the new car to become a strong commercial success" and that it would start selling well at the end of next year and early 1986. Mr Hanon said.

While the new super-mini is proving to be a slow starter, the top-of-the-line Renault R-25 is increasingly proving to be a commercial success with daily production now running at 890 cars.

Mr Hanon confirmed yesterday that he was keen to see American Motors Corporation (AMC), the U.S. car group 46 per cent owned by Renault, play a more active role in

on pointed out that the original Renault 5 also had a slow start commercially.

Renault yesterday reported first-half sales of FFr 53.7bn. This 2.4 per cent increase over group sales in the first half of 1983 was clearly not satisfactory, Mr Hanon acknowledged.

The French car group is now involved in negotiations with its unions and workforce over major job cuts to achieve annual productivity gains of 7 per cent.

One programme to cut jobs involved early retirements on a voluntary basis. Renault is expecting between 5,000 and 6,000 early retirements this year which would cost the company between FFr 500m and FFr 600m.

While the new super-mini is proving to be a slow starter, the top-of-the-line Renault R-25 is increasingly proving to be a commercial success with daily production now running at 890 cars.

Mr Hanon confirmed yesterday that he was keen to see American Motors Corporation (AMC), the U.S. car group 46 per cent owned by Renault, play a more active role in

selling on the U.S. market models built in Europe by Renault.

At present AMC sells essentially subcompact derivatives of Renault models and Jeeps and is planning to bring out a larger car in the U.S. intermediate car market in 1986.

Renault is now also planning to bring out a new medium-sized car in Europe next year which will be exported to the U.S. to increase the AMC range.

This new medium-sized car is expected to be produced at Renault's plant in Belgium.

Renault is also pursuing a policy designed to increase its presence in high technology sectors which are complementary to the car business. The group recently formed a joint venture with Stanley of Japan in liquid crystal technology for dashboard instruments and is due to announce in coming days a new venture in ceramic motors.

This is expected to involve a deal with a subsidiary of the French nationalised CGE electronics conglomerate and the production of ceramic motors at a plant at Tarbes in south-west France.

UK car registrations, Page 10

Chinese clear way for private medicine

By Mark Baker in Peking and Gail MacDonnell in London

CHINA HAS cleared the way for its doctors to open private practices and for private companies to sell health services in an effort to improve its poor medical facilities.

As part of its plans to "supplement" its public health service, the Peking Government is negotiating with a British company on the establishment of what would be the first known foreign-supplied private hospital.

United Medical Enterprises of London is discussing the provision of a 600-bed, \$110m facility.

The hospital would be built between Daya Bay, site of the proposed Anglo-French-constructed nuclear power station and the Shenzhen Special Economic Zone, adjoining Hong Kong.

While the Chinese Government has asked for abortion facilities at competitive rates with Hong Kong, the main purpose of the hospital would be to provide care for senior government officials, nuclear power station workers, offshore oil personnel, wealthy overseas Chinese and "compatriots" from Hong Kong and Macao.

Management and senior medical staff are initially expected to be Western.

Making the general announcement on private health care, Cui Yueli, the Chinese health minister, said in Peking that doctors and other medical workers would be allowed to set up private clinics and to charge consulting fees.

Local authorities, co-operatives and private investors would be able to establish new hospitals and medical schools.

Local radical changes were needed if China was to increase the standard of public health care and the two rigid government control of health services had to be broken up. Government services lacked vigour because policies were too restrictive, administration was inefficient, power was not delegated and money was wasted, he said.

"The collective public health organs should undertake independent accounting, assume sole responsibility for their profits and losses, give more pay for more work, and be democratically administered," he added.

Cui said medical workers who were unemployed or retired should be encouraged to set up private consulting services. Medical workers already employed by the Government should also be allowed to do private work.

Factory workers sacked, Page 4;
Joint venture drive, Page 5

Spain to ease Gibraltar rules

Continued from Page 1

covered only pedestrians using the land frontier and goods purchased in Gibraltar were not allowed into Spain.

Since then, Britain has made clear Spain that it could hardly expect to become a member of the EEC without respecting the Community's rules on the freedom of movement between its member countries. Gibraltar, as a British colony, falls into that category.

One of the stumbling blocks, which has been overcome, was Spain's demand that in return for opening the frontier its citizens should have the right to reside and work in Gibraltar.

Unfortunately for Spain, access to the Community's labour markets, including Gibraltar, will be granted only after a long transitional period of five to eight years under the end-of-agreement currently being negotiated between Spain and the EEC.

Britain has now agreed to advance the implementation to the beginning of next year of the Community's rules on freedom of movement and establishment but only as far as they affect self-employed and professional people in Gibraltar.

Dun and Bradstreet to acquire Thomas Cook's U.S. travel unit

BY DAVID LASCELLES IN LONDON

DUN and Bradstreet, the U.S. business services and information company, is to buy the U.S. travel business of Thomas Cook, a wholly owned travel and travellers' cheque subsidiary of Midland Bank of the UK.

Midland was obliged to make the sale as a condition for official approval of its 1981 purchase of Crocker National Bank of California. Under U.S. law, banks are not supposed to engage in non-banking business.

The price was described only as "an eight-figure sum." It is understood to be around \$12m with room for variation, depending on Cook's profits for its latest year which ended on October 31.

Mr A. Kennedy, Cook's chief executive, said that the sale had "attracted considerable interest from a variety of highly respected organisations."

Midland's original sale deadline was a year ago, but it obtained a reprieve from the Federal Reserve Board. The banking crisis caused by Continental Illinois last summer prompted U.S. bank regulators to take a more severe line, and Midland once again came under pressure to sell.

The sale is confined to Cook's travel business. Midland will retain the travellers' cheque operations which form a large part of the group's turnover.

Dun and Bradstreet will also acquire the Thomas Cook name in the U.S. This identification with Thomas Cook worldwide also means that Dun and Bradstreet and Midland will co-operate in the supply of travel insurance through Cook, which claims to be the world's largest travel company.

Although Midland was a forced seller, Cook is understood to have

been considering joining up with a U.S. partner to attack the American market.

According to U.S. sources, the deal allows Midland to buy the business back within three years if U.S. bank law is relaxed.

Cook's U.S. business is not believed to be specially profitable. After running up losses three years ago, the group was reorganised and began an aggressive new marketing strategy which added \$100m in revenues. It is believed to earn only about \$250,000 on turnover of \$300m.

Dun and Bradstreet has widespread interests in financial information, marketing, direct mail and business services. Its only direct link with the travel business is as publisher of the US Official Airline Guide, a monthly timetable of U.S. domestic flights.

Poland acts on Interior Ministry

BY CHRISTOPHER BOBINSKI IN WARSAW

GENERAL Wojciech Jaruzelski, the Polish Communist Party leader, was given special supervisory responsibilities over party members in the Interior Ministry by a meeting of the party Politburo yesterday.

The move significantly weakens the position of Mr Miroslaw Milewski, the Politburo member nominally responsible for security and could pressure his removal from the Politburo at the next central committee meeting.

The decision followed the kidnapping and murder of Father Jerzy Popiełuszko, a pro-Solidarity priest by three security officers who have since been charged with the crime.

The colonel in the ministry who was their direct superior in the department overseeing relations with the church has also been arrested. The Politburo communiqué insists that the decision taken at the meeting was unanimous and appealed for unity in the party at large. General Czesław Kiszczak, the Interior Minister, told the parliamentary internal affairs committee that he had set up a new political branch inside his ministry, which potentially would greatly improve his hold over his subordinates.

The Politburo communiqué also hit out at "the enemies of the people's Poland" who had hoped that

the "crime" might spark off internal unrest.

This hardline tone includes another new aspect with its attack on "enemies who have been using religious gatherings for anti-state agitation." This was a reference to some of the sermons the clergy has been delivering in connection with Father Popiełuszko's death.

In contrast General Kiszczak's speech in parliament yesterday, and the committee's resolution on the subject of the murder, is much more conciliatory, and contains only a passing reference to the activities of the opposition.

Warsaw interview, Page 2

UK cuts base rates

Continued from Page 1

ing, despite comments from Mr Preston Martin, vice-chairman of the U.S. Federal Reserve, that the Fed was applying a "somewhat accommodative stance" to its credit policy.

The dollar closed in London at DM 2.9480, up 1.95 pfennigs from Monday.

The Building Societies' Association said yesterday that there would "probably" be a reduction in mortgage (home loan) rates in the near future, after the base rates cut. The consensus among leading building societies was for a cut of 1 percentage point from the present

levels of between 12½ and 13 per cent.

Although the cut is likely to be agreed at the societies' meeting on Thursday and Friday, the timing of its application is less clear.

A number of societies expect it to come into effect on January 1, allowing them to replenish their funds after expected withdrawals by investors buying Telecom shares.

One or two societies, however, are pressing for lower rates before Christmas, a move that would be greatly welcomed by the British Government.

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NEWS REVIEW

BUSINESS

£6m Norwegian subsea contract

A contract worth £6m has been won by TRW Ferranti Subsea from Statoil for a subsea control system which will be used for subsea production on Statoil's Gullfaks 'A' platform. The system will control five subsea wells, between 1.5 km and 3.2 km away from the platform in water depths of up to 180 m. Covering design and manufacture of the system, the contract includes the supply of six subsea control modules, a control station and the necessary power units. All subsea equipment will be designed and built in the UK by TRW Ferranti Subsea.

New radar order

Ferranti Computer Systems, Bracknell Division, has won an order, worth over £2m, from Plessey Radar for Track Extractor for their Type 986 radar. The track extractor equipment forms part of the Automatic Plot and Track Extraction Equipment and consists of multiple Ferranti Argus 3700/40 processors, the latest and most powerful in the Military Argus range, with associated interface and store.

Briefly . . .

At the Military Microwaves Exhibition last month Ferranti Electronics, Microwave Division, announced a new miniature profile 31G tuned oscillator which it believes is the smallest in the world. Ferranti Computer Systems, Wythenshawe Division, has received full British Telecom approval for its Teletex Adaptor.

SUBMARINES

£9m KAFS for Brazil

Following an announcement that the Brazilian Navy had selected Ferranti KAFS Action Information and Fire Control Systems for its German designed Type 209 submarines, contracts worth over £9m have been signed between Ferranti Computer Systems, Bracknell Division, and the West German consortium of Ferrotec AG and Howaldtswerke-Deutsche Werft for the supply of KAFS systems and associated shore training facilities. Each KAFS system will incorporate an FM1600S central computer and distributed M700 microprocessor to integrate the extensive sensor fit, provide picture compilation, TMA (Target Motion Analysis), command and weapon control facilities for two different weapons. KAFS, a private venture export version based on the DCC system Ferranti has supplied for the Royal Navy's "Upbolder" class submarines, is already in production and negotiations are in progress with a number of other Navies.

COMPUTERS

Argus for Health

The South East Thames Regional Health Authority has chosen Ferranti Computer Systems, Wythenshawe, as the supplier of its plans to computerise hospital laboratories throughout its 15 Health Authority Districts. By the end of 1984 Ferranti's Delphi Phoenix data handling systems worth £250,000 will be delivered at the first two selected pilot sites at St Thomas' Hospital in West Lambeth DHA and King's College Hospital in Camberwell DHA.

There are eight chosen pilot sites at hospitals in Bromley, Canterbury and Thanet London Health Authorities. Disciplines covered include biochemistry, haematology, and microbiology. In some hospitals the systems will replace conventional methods of data handling and will relieve technical staff of the tedium of clerical work. Patient records and the mass of data produced by modern laboratory instruments are stored, processed and presented by the system.

The good news is FERRANTI

Selling technology

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SECTION II - INTERNATIONAL COMPANIES

FINANCIAL TIMES

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Norwegian newsprint group lifts earnings

By Fay Gjester in Oslo

NORSKE SKOG, Norwegian producers of newsprint, sawn timber and chipboard, increased eight-month profits by Nkr 13m to Nkr 86m (\$10m) on extraordinary income of Nkr 17m from property sales. "January-August" turnover reached Nkr 1,195m, against Nkr 1,209m.

The result for the year is expected to be better than last year's Nkr 131m, partly because of the extraordinary income and partly because higher newsprint sales - particularly to the U.S. - have allowed the group to operate its newsprint mill at much higher capacity.

Output for the year as a whole is expected to reach around 370,000 tonnes, up 30 per cent from 1983. Sales of chipboard and sawn timber were hit by the fall in Norwegian housing starts, a trend which seems set to continue.

The company said that demand for newsprint rose in the period but the price increases secured were inadequate to cover higher costs, mainly for energy and wood pulp.

Zanussi talks may end soon

STOCKHOLM - Electrolux, the Swedish domestic appliance maker, hopes that negotiations on its long delayed takeover of Zanussi, the troubled Italian white goods group, will end on November 29, Mr Hans Werthen, Electrolux chairman, said yesterday.

Zanussi will hold a special shareholders' meeting on that date to get final approval for the transaction, which will pull it out of heavy debt and will make the Swedish group the largest white goods maker in Europe.

Storage Technology gains \$150m credit line

By PAUL TAYLOR in New York

STORAGE TECHNOLOGY, the struggling Colorado-based computer equipment company which filed for protection from its creditors under Chapter 11 of the U.S. bankruptcy code last week, said yesterday it had succeeded in negotiating a \$150m revolving credit line commitment from New York's Chemical Bank.

The mainframe data storage equipment company, the largest U.S. computer equipment maker ever to file for protection under Chapter 11, said the cash infusion would help it to "move forward in an orderly manner with its reorganisation."

Since then speculation has

Storage Technology filed for protection on October 31, citing financial pressures and warning that it would post a third-quarter loss of at least \$80m.

The company, which has been in technical default on an existing \$125m unsecured credit line since early last month when it first said it expected to post a third-quarter loss, said at the time of its Chapter 11 filing that it was engaged in discussions to obtain "a significant capital commitment to fund operations during the reorganisation proceedings."

mounted about the future of the company, which has about \$1.1bn in unpledged assets. A major capital infusion has been seen as a crucial step in the company's struggle to survive and reorganise.

Storage Technology said the deal with Chemical Bank was still subject to a definitive loan agreement and to bankruptcy court approval before November 29.

Under the terms of the Chemical Bank credit line proposal, Storage Technology said the bank would have "a super-priority claim" under U.S. bankruptcy law.

Citibank may buy French bank

By DAVID MARSH in Paris

CITIBANK of the U.S. is negotiating the purchase of a small private French bank, Compagnie Générale de Banque Soficom, designed to increase its presence in French consumer banking and its business with small and medium companies.

It expects to conclude a \$500 million purchase of 90 per cent of the bank's capital from its two present majority shareholders, the Drouot Insurance group and the private bank Hottinger et Cie.

Soficom has deposits of FFr 640m (\$122m), about FFr 2.5bn in loan business and a balance sheet of FFr 3.3bn. It was too small to be nationalised in 1982.

The bank, which made a small net loss last year, owns a subsidiary, Compagnie Bordelaise de Banque, which registered a small profit.

Soficom, with 12 branches in Paris and the provinces and another two opening soon, will add considerably to Citibank's French network, at present limited to Paris and Monaco.

The acquisition follows the model laid down by another large foreign bank, Barclays of the UK, which has grown considerably in France in recent years.

Strong advance at Canadian Pacific

By ROBERT GIBBENS in Montreal

CANADIAN PACIFIC, the diversified transport group, increased net earnings in the third quarter of this year to C\$129.8m (U.S.\$90m), or C\$1.80 a share, from C\$41m, or 57 cents, in the previous comparable period, on revenues of C\$3.7bn against C\$3.22bn. This took nine-month net profits to C\$266.7m, or C\$2.42 a share, against C\$101.8m, or

C\$1.41, on revenues ahead to C\$10.8m from C\$9.3bn.

A great deal of the improvement came from Canadian Pacific Enterprises, the non-transport holding company nearly 70 per cent owned by Canadian Pacific.

A turnaround in minerals, forest products and steel, as well as continued strength in oil and gas,

boosted CP Enterprises' third-quarter earnings to C\$67.6m or 42 cents a share, from C\$15.5m, or 10 cents. For the first nine months, CP Enterprises' net profit was C\$183m, or C\$1.23 a share, against C\$26.3m or 17 cents. An accounting change covering foreign exchange transfers reduced the nine-month profit by \$16m.

Canadian forest group recovers

By Robert Gibbens in Montreal

MACMILLAN BLOEDEL, Canada's largest forest products group, continued its recovery in the third quarter with the help of higher volumes and prices for newsprint, market pulp and packaging materials.

The company admits it still has a long way to go, however, even after severe rationalisation in the past two years, before it reaches acceptable returns and can resume cash dividends.

Third-quarter net profit was C\$7.5m (U.S.\$5.73m) or 4 cents a share, after preferred dividends, against a loss of C\$600,000 a year earlier, on sales of C\$603m against C\$497m. In the first nine months there was a loss of C\$4.7m, against a loss of C\$10.7m, on sales of C\$1.55bn against C\$1.52bn. These results exclude a C\$25.4m gain on asset sales.

The results are roughly in line with the company's forecast early this year. Overall, a net operating profit is expected for all of 1984, because the company has not only rationalised its newsprint operations, disposing of its east Canada interests, but has also rationalised its domestic and foreign packaging holdings.

Novo in new insulin move

By Hilary Barnes in Copenhagen

NOVO, the Danish pharmaceuticals and enzymes manufacturer, has applied to the Danish environmental authorities for permission to build commercial scale plants for the production of human insulin by genetic engineering techniques.

No target date or cost for the facilities were specified.

The Limited profits on target as sales continue to improve

By TERRY BYLAND in New York

THE LIMITED, the Ohio women's-wear group which launched an unsuccessful \$1.1bn takeover bid for Carter Hawley Hale earlier this year, reports profits comfortably on target for the third quarter.

A gain of 35 per cent to \$28.4m, or 47 cents a share, on sales 29 per cent ahead at \$348.6m, indicates a quickening of the growth pace. For the nine months, the group, which dominates the specialist women's clothing industry with more than 1,000 stores, has lifted earnings to \$58.9m or 98 cents, an advance of 26 per cent on the comparable period. Sales are up 18 per cent at \$909.4m.

The Limited, which earned little more than \$8m annually as recently

as four years ago, has become a fast-growing operation and is expected on Wall Street to turn in a gain of about 28 per cent on fiscal 1983's net earnings of \$66.6m.

Growth has been sought through aggressive acquisition, with the aim of operating about 3,000 outlets in the near future. The bitterly-resisted bid for Carter, however, culminated in Limited's withdrawal of its offer, after incurring costs estimated at more than \$6m, and taking a stake of 700,000 shares in Carter.

The cost of the Carter battle has not yet been written-off against Limited's profits, while the future of the Carter share stake hangs on legal questions.

John Wood buys 50% stake in Geolograph

By Mark Meredith in Aberdeen

JOHN WOOD Group, the Scottish offshore supply and service company, has bought a 50 per cent stake in Geolograph Pioneer, a U.S. drill servicing company, for more than \$10m.

The move is one of the few cases of a UK company buying into the U.S. oilfield service market. Numerous U.S. companies have set up bases in Britain to supply developments in the North Sea.

Geolograph supplies drilling instrumentation and specialist control equipment from its base in Oklahoma City.

The Wood Group has, in effect, joined a \$20m management buyout of Geolograph from the U.S. oilfield group Geosource by the Brown family, who have run the company since the 1978 takeover by Geosource.

Mr Ian Wood, chief executive of the Wood Group, said the expertise would extend the company's range of offshore services and provide its first significant move abroad.

The Wood group is one of Scotland's largest private companies, with 30 subsidiaries and about 2,000 employees. It had a turnover of £80m in 1984.

The equity stake gives the Scottish company a new range of expertise in onshore drilling techniques.

Hoesch sales increase

By PETER BRUCE in Bonn

HOESCH, the West German steel and engineering concern, said yesterday it had traded profitably for the first nine months of this year, with turnover outside the group at the end of September about 7 per cent higher than the same time last year.

The group made an operating profit last year of DM 30m (\$10.24m) on sales of DM 6.7bn. Sales of flat steels had risen to 2.9m tonnes in the first three quarters of 1984, Hoesch said, about 12

per cent higher than last year. Significant improvement in profits was expected for the year as a whole.

A second West German steel producer, Klöckner Werke, has also reported a sharp improvement in sales - up 5.9 per cent to DM 5.03bn - in the first nine months. Klöckner's machinery division's turnover increased 1.5 per cent to DM 1.2bn. Its plastics machinery business increased sales by more than 30 per cent to DM 271m.

Korea tries to revive stock market

By STEVE BUTLER in Seoul

KOREA is releasing \$50m won (\$81.4m) in stock purchasing loans through commercial banks to local security companies in an effort to breathe life into a dull stock market.

The stock market composite index declined more than seven points from early August to close

under 130 at the end of last week.

The securities companies will be able to borrow funds at a 10.5 per cent interest rate for three months, using purchase stock as collateral for the loan. About 300m won will be released initially through Korean Securities Corporation tomorrow. The supply of funds through the

banking system is strictly limited, and loans at a favourable interest rate for the purchase of stocks are generally unavailable.

The Government said the poor performance of the stock market was a temporary phenomenon resulting from activities in the bond market.

All these securities having been sold, this announcement appears as a matter of record only.

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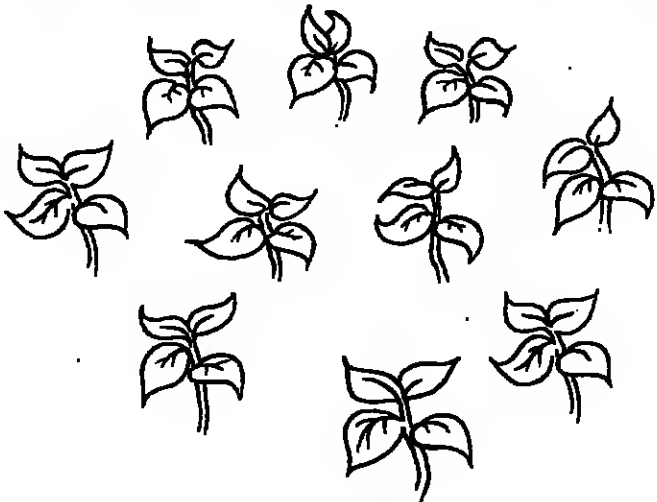
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The seeds are germinating



Societe Generale launches share issue

By David Marsh in Paris

SOCIETE GENERALE, the third largest French bank, announced yesterday a FFr 600m (\$86.7m) non-voting share flotation to bring private equity into its capital.

Believing the move will strengthen its credit rating on international capital markets.

This was made clear yesterday by M Jacques Mayoux, the chairman. The issue of securities, which are equivalent to non-voting preference shares, amounts to the first move by a nationalised bank since the Socialists took power in 1981 to open its capital directly to private funds.

Societe Generale was nationalised in 1945 along with the other two of the Big Three French banks. The Government will retain full control, as it will keep 100 per cent of voting stock.

As a result of the issue, being made between November 13 and 20 at a price of FFr 350 per FFr 100 certificate, Societe Generale's share capital will be raised by a nominal FFr 107m. This will give private shareholders an 8.6 per cent stake in the capital to FFr 1.25bn. Apart from a FFr 100m share issue made in 1979, this amounts to the first time since 1945 that the bank has raised its capital by issuing shares to the public.

In line with general efforts to strengthen French banks' generally inadequate capital resources, a series of other nationalised banks this year have raised permanent capital in the form of titres participatifs (non-voting loan stock).

These are intermediate in character between bonds and shares and, unlike CIs, do not directly boost banks' share capital.

The possibility of nationalised banks and companies making CI issues has been open since January 1983, and Societe Generale has been studying the idea for about a year.

It made a preliminary announcement about the issue in August. M Mayoux said yesterday that there had been "no difficulties" gaining authorisation from the Finance Ministry.

Now that the Government has given the go-ahead, other state banking groups, including the Paribas and Suez financial conglomerates and the Credit Industriel et Commercial group, are waiting in the wings to launch similar CI issues.

M Mayoux said the certificates would be cheaper than an equivalent TP issue. Also, unlike TPs, they were recognised by international credit rating agencies as adding to capital.

The certificates will yield a guaranteed annual dividend of FFr 25, which together with the standard tax credit gives a total payout of FFr 37.50, and will also carry a complementary dividend to be decided annually, equivalent to between 5 and 50 per cent of net earnings per share.

INTL. COMPANIES & FINANCE

Conoco sets up Canadian unit

BY BERNARD SIMON IN TORONTO

CONOCO, the U.S. oil company, has set up a wholly owned subsidiary in Canada, reflecting a clear improvement in the climate for foreign investors in the energy industry.

The group has opened an office in Calgary and plans to concentrate on exploration in Saskatchewan, Alberta and British Columbia.

A senior Conoco official at the company's head office in Houston said: "Whatever exploration successes we have will be followed by production activity. We believe the business climate in Canada is improving."

The new Progressive Conservative Government has promised to encourage foreign investment and to spur activity in the energy sector. Details of both its energy and foreign investment strategies are expected to be announced in a major economic policy statement to be delivered by Finance Minister Mr Michael Wilson tomorrow.

The Government has indicated that it will allow oil and gas producers more market-related prices, and will move away from provisions of the contentious national energy

programme discriminating against foreign-controlled companies.

Conoco is a subsidiary of the U.S. chemicals group Du Pont. It withdrew from Canada in 1981 after selling its 52.9 per cent stake in Hudson's Bay Oil and Gas to Dome Petroleum, in a transaction which contributed to Dome's present financial difficulties and led to Conoco's takeover by Du Pont.

Conoco's view of an improving climate for foreign oil companies was echoed by Mr Donald McIvor, chairman of Imperial Oil, Canada's largest oil company and a subsidiary of

Exxon. Mr McIvor told a meeting in Winnipeg earlier this week that "with the change in federal Government, we think there is a positive outlook for oil and gas policy."

He said that Imperial was expanding its activities in the Canadian Arctic and off the east coast.

The Canadian subsidiary of Occidental Petroleum is launching two heavy oil pilot projects in Alberta at a cost of Cdn\$200m (US\$222.9m). If the projects are brought to commercial production, their combined output of bitumen will be about 19,000 barrels a day.

Mixed results for Swedish trading group

BY DAVID BROWN IN STOCKHOLM

A. JOHNSON group, Sweden's third largest trading and industrial concern, reports sharply mixed results for the first eight months ending in August.

Nordstjernan, which encompasses shipping, stainless steel and engineering interests, reports pre-tax losses after net financial costs virtually doubled to SKr 142m (US\$18.8m), due mainly to the heavy SKr 228m burden associated with restructuring its Avesta steel concern and the acquisition of the NK retail stores.

Operating results after depreciation climbed by SKr 44m to SKr 155m. In the engineering sector, a number of large orders are expected to lead to further improvements in results by the year-end.

Losses slowed in the shipping sector and stainless steel showed a profit. All other units however, including insurance and construction, noted declines.

Net extraordinary income of SKr 206m, stemming from the sale of Avesta's hydropower assets, yielded

a pre-tax profit of SKr 156m. Cash and liquid assets climbed by about 30 per cent to SKr 1.2bn. Sales of SKr 11.46bn are unchanged when adjusted for changes in the group's structure.

A. Johnson, the second largest company in the group, is divided into U.S. and Swedish operations, both of which reported improved pre-tax earnings. The U.S. arm, which trades in oil, stainless steel, metals and engineering products, said results climbed out of the red from a SKr 35m loss to SKr 88m.

Sales grew 40 per cent to SKr 8.8bn.

The Swedish arm, which trades in oil, coal, steel, chemicals and machinery, said earnings after financial items more than doubled from SKr 15m to SKr 39m. Operating results grew by 17 per cent to SKr 170.8m, with the prospect of further improvements by the year-end.

Extraordinary items related to the sale of property and shares brought the pre-tax result to SKr 58.8m. Sales climbed by 5 per cent to SKr 7.1bn.

Hasbro Bradley set to play bigger game

BY ANDREW BAXTER

SIX MONTHS after announcing a \$360m takeover to create a new force in the world's toys and games markets, Stephen Hassenfeld has no doubts about the logic of putting GI Joe and My Little Pony into the same stable as the ever-popular Battleships game and Yahtzee.

Mr Hassenfeld is chairman of Hasbro Bradley, the company formed by the merger of U.S. toymaker Hasbro Industries and Milton Bradley, the world's biggest games and puzzles producer. Yesterday he reported third-quarter profits for the combined group of \$18.6m, or \$2.38 a share, on revenues of \$73.6m.

This took the nine months net earnings to \$37.1m, or \$5.06 a share, on revenues of \$467.5m.

Milton Bradley contribution is included from September 10. Therefore the group results are not comparable with Hasbro's 1983 figures, when the company reported net profits of \$5.1m in the third quarter and \$8.7m in the first nine months.

The new company expects sales of \$721m this year, but if Milton Bradley's sales for all 1984 were included, the total would be about \$960m, putting Hasbro Bradley among the world's leading toymakers, along with Mattel and General Mills.

Mr Hassenfeld expects further consolidation in the industry, and believes that a broader company, both geographically and in product terms, will be better able to keep up with the other toy majors.

In an industry where success depends heavily on fashion, and, therefore, to some extent on luck, only time will tell. On paper, at least, the merger appears as close a "fit" as any acquiring company could reasonably expect.

Mr Hassenfeld sees several

advantages from the deal, with the international impact near the top of the list. Before the merger Hasbro was known mainly in the U.S. as a producer of a wide range of action, play and huggable toys including such stalwarts as Mr and Mrs Potato Head, the recently relaunched GI Joe team with its Mobile Strike Force (sold under licence in the UK as Action Man) and the Mickey Mouse Talking Phone.

Alongside the evergreens were new products such as My Little Pony, a range of gaudily-coloured long-haired miniature ponies, and the Glo range of cuddly toys.

In the 1960s and 1970s Hasbro was content to license its products overseas. It did not have the resources to match the rapid international expansion of its rivals, including that of Milton Bradley. By the 1980s, however, the situation had changed, with many more Hasbro products but fewer potential licensees.

"Many of the players that were there for us to work with in the 1970s have been acquired by Milton Bradley, Mattel or General Mills, and many of the weaker players who were not part of the consolidation have gone by the board," said Mr Hassenfeld.

Last year Hasbro bought parts of Warner Communications' Knickerbocker Toy soft toys unit and established a UK subsidiary from the British assets acquired. The new subsidiary has notched up considerable success with its Roland Rat toy, made under licence, and is also intended to provide European operations with a central focus.

Even so, only 5 per cent of Hasbro's sales came from outside North America before the merger. Acquisition of Milton Bradley, which has four European manufacturing plants and



Stephen Hassenfeld: no doubts about the logic of the \$360m Milton Bradley takeover

derives one third of its sales from outside the U.S., gives Hasbro a major opportunity to increase sales of its own products overseas alongside Milton Bradley's games and puzzles such as Operation and the big-selling Connect 4, with which European children may be more familiar.

The second major advantage for Hasbro from the takeover is a broader product range. From sales of \$5m to \$6m in the \$650m U.S. games and puzzles market, Hasbro has become one of the market leaders overnight, while Milton Bradley's Play-skool range of pre-school toys adds significantly to Hasbro's products in this sector.

Along with last year's purchase from Arthur Guinness of Glenco Infant Items, the biggest U.S. baby bib producer and maker of Tommee Tippee training cups, the acquisitions have "cut down on some areas of vulnerability," said Mr Hassenfeld.

Conspicuous by their absence from the Hasbro Bradley product lines are the electronic

games which have brought huge losses to competitors, many of whom have depended for their survival on the success of traditional lines. Mr Hassenfeld says Hasbro's decision to withdraw just before coming to market with electronic games products in 1979 was "the best single decision we ever made."

He criticises the "gold rush mentality" of the time, with the "herd chasing after the same old herd." Unfortunately, a late recruit to the herd was Milton Bradley itself. This involvement — terminated at the end of last year — led to declining sales over the past three full years and a net loss in 1983 of \$18.6m on sales of \$337m. This was the first loss in 35 years.

The challenge for Hasbro Bradley now is to make the whole work better than the sum of the two parts. Cross-fertilisation is already taking place with new toys based on Milton Bradley games, but Hasbro intends to keep some of the acquired operations running independently. Almost all the Milton Bradley senior managers have remained, with the notable exception of Mr Jim Shea, chairman and chief executive.

The ultimate indicator of Hasbro Bradley's success at tapping the potential of the new combination is what happens to profits. Milton Bradley had been considered a prime takeover candidate since it excelled itself from electronic games. Without this drag on earnings the highly profitable staple business is expected to recover sharply this year.

Mr Hassenfeld is reported to agree with analysts' projections of \$5.50 to \$6.50 for net earnings per share this year — compared with \$2.41 for Hasbro alone last year — and of \$8-\$10 a share next year.

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November, 1984



NACIONAL FINANCIERA, S.A.
US\$150,000,000 Floating Rate Notes due 1990

For the six months
8th November, 1984 to 8th May, 1985
the Notes will carry an interest rate of 10 1/4% per annum and
Coupon Amount of US\$521.63.
The relevant Interest Payment Date will be
8th May, 1985
By: Bankers Trust Company, London
Reference Agent

DIVIDEND INCREASED

1984
is our 38th
consecutive
year of cash
dividend
payments

The Board of Directors has increased the quarterly dividend rate from \$0.19 to \$0.20 for the fourth quarter of 1984 thus raising the annual dividend rate from \$0.76 to \$0.80. The increased fourth quarter dividend is payable December 11 to stockholders of record on November 8. This will be the thirteenth consecutive year in which our dividend per common share has increased over the preceding year. About 216,000 stockholders are entitled to our earnings.

WALTER W. SAPP, Secretary

Tenneco Inc

HOUSTON, TEXAS



This announcement is under no circumstances to be construed as an offer to sell or as a solicitation of an offer to buy any of these securities. The offering is made only by the Offering Circular.

November 7, 1984

\$300,000,000

Student Loan Marketing Association

SallieMae

Zero Coupon Notes due 1994

Copies of the Offering Circular may be obtained in any State in which this announcement is circulated from the undersigned or other dealers or brokers as may lawfully offer these securities in such State.

Merrill Lynch Capital Markets

NOTICE OF PREPAYMENT



THE DAI-ICHI KANGYO BANK, LIMITED
(Incorporated with limited liability in Japan)

U.S.\$52,000,000 Callable Negotiable Floating Rate
Dollar Certificates of Deposit
No. 000001 to 000052 Issued on 15th December 1982
Maturity Date 17th December 1985
Optionally Callable in December 1984

Notice is hereby given that in accordance with Clause 3 of the Certificates of Deposit (the "Certificates"), The Dai-ichi Kangyo Bank, Limited (the "Bank") will prepay all outstanding Certificates on 17th December, 1984 (the "Prepayment Date"), at their principal amount.

Payment of the principal amount, together with accrued interest to the Prepayment Date, will be made on the Prepayment Date against presentation and surrender of the Certificates at the London Branch of the Bank.

Interest will cease to accrue in the Certificates on the Prepayment Date.

The Dai-ichi Kangyo Bank, Limited
London Branch

P & O Building, Leadenhall Street, London EC3V 4PA

7th November, 1984

Standard Chartered

Standard Chartered Finance B.V.

(Incorporated with limited liability in The Netherlands)

US\$300,000,000 Junior Guaranteed
Undiscounted Floating Rate Notes

Guaranteed on a junior subordinated basis by

Standard Chartered Bank PLC

(Incorporated with limited liability in England)

In accordance with the provisions of the Notes, notice is hereby given that for the six months period (181 days) from 7th November, 1984 to 7th May, 1985 the Notes will carry interest at the rate of 10 1/4% per annum.

The interest payment date will be 7th May, 1985. Payment, which will amount to US\$521.63 per US\$10,000 Note and US\$208.16 per US\$50,000 Note, will be made against surrender of Coupon No.1.

Standard Chartered
Merchant Bank Limited
Agent Bank.



هكذا صنع القليل

INTL. COMPANIES & FINANCE

BHP in \$420m bid for Kansas oil and gas group

BY MICHAEL THOMPSON-NOR, IN SYDNEY

BROKEN HILL Proprietary (BHP), Australia's largest company yesterday announced a takeover offer for Energy Resources Group (ERG), the Kansas-based oil and gas exploration concern.

BHP's total offer—the offer has the approval of ERG's board—could total nearly US\$420m. Further details are expected later this week.

For some time, BHP has been anxious to acquire oil and gas income bases in the U.S. and UK, against which to offset foreign exploration expenditure. On acquiring ERG, BHP will probably merge it with its existing small, though growing, Denver-based oil and gas operations. Similarly, it is keen to acquire a small cash flow from the North Sea, against which to offset planned exploration spending.

BHP is offering U.S.\$6.10 cash per ERG share, of which 42m

are in issue. The offer is conditional on BHP acquiring a minimum of 25m shares.

However, under the agreement, BHP has an option to purchase 20m new ERG shares, at U.S.\$6.10 each, which would have the effect of giving BHP 32 per cent of ERG's enlarged capital.

The tender offer will be released in the U.S. tomorrow while a detailed statement will be made available in Australia on Friday.

Mr Russell Fyrmore, general manager of BHP's petroleum division, said in Melbourne yesterday that the total cost of the acquisition—including the assumption of ERG's debt—would be about A\$490m, or approximately U.S.\$417m.

Mr Fyrmore said ERG had reserves of about 70m barrels of oil and oil equivalent and an extensive exploration programme. Its earnings last year

were U.S.\$12.6m on turnover of U.S.\$140m.

BHP is spending more than A\$140m on oil exploration in 1984-85, about half outside Australia. It is currently exploring in Papua New Guinea, the South China Sea, and Indonesia, as well as in Australia and the U.S.

Its petroleum division was BHP's star performer in 1983-84. Net profit from petroleum was A\$426m out of total net profit of A\$639m.

Last year, BHP acquired the Utah International resources group from General Electric of the U.S. in a A\$2.5bn deal.

Utah's main asset was extensive coal reserves in Queensland, but BHP also gained substantial foreign coal and other mining interest, including a 50 per cent interest in the La Escondida copper discovery in Chile, which may be the largest known undeveloped copper ore body in the world today.

Macao to open doors to foreign banks

By David Dodwell in Hong Kong

THE MONETARY authorities in Macao, the tiny Portuguese administered territory on China's southern coast, are to offer offshore banking licences in a bid to build up an international financial centre.

The move is intended to ensure that Macao is well placed to play a part in the accelerating economic development of Southern China. The territory is just 40 miles west of Hong Kong and hopes to reap spill-over benefits from the proximity of such an important financial centre.

Until two years ago, Macao was closed to foreign banks. Early in 1983, three Portuguese and six foreign banks were licensed to open branches. It now has total foreign liabilities in the banking sector of US\$1.3bn, with 80 per cent of this accounted for by banks incorporated outside Macao.

Banks entering the territory as offshore banking units under the new banking reforms will not be totally excluded from local banking activity, but will be severely restricted in their ability to compete for domestic business.

While some bankers are sceptical at Macao's ability to establish itself as a major financial centre, at least one leading bank in the region predicted that it could become increasingly important as a base for financing China's modernisation.

If Macao could guarantee that earnings from offshore banking operations will be tax-free, it could count on interest from many banks currently in Hong Kong. There has been growing concern in recent months that the Hong Kong authorities may intend to tax profits on offshore banking.

Brierley to expand overseas

BY DAI HAYWARD IN WELLINGTON

MR RON BRIERLEY, the chairman of Brierley Investments, says in his annual report that the company is poised to expand its interests abroad.

Brierley Investments, which is now New Zealand's third or fourth largest company in terms of market capitalisation, would "increasingly become New Zealand's largest listed company," Mr Brierley said. "Obviously there is a limit to what can be achieved within the confines of the NZ economy," he added and Brierley was therefore looking overseas.

The moves offshore began during the last financial year and would continue through Industrial Equity (Pacific), the group's Hong Kong subsidiary.

Last year IEP acquired a 55 per cent interest in Higbee Company of the U.S. Higbee operates eleven department stores in north-east Ohio with annual sales of US\$245m and provides Brierley with a sound trading base in America.

Brierley's growth plan includes selective investment in publicly listed companies in other countries, a strong home base with substantial holdings

in a range of growth industries; and a commitment to the Australian economy mainly through Industrial Equity, the Australian subsidiary.

Mr Brierley added that the company as a provider of capital would not be an alternative in the development of independent management skills and strategies.

As known, the company made record profits of NZ\$46.7m (US\$23.1m) in 1983-84. The dividend total was 15 per cent but the company intends progressively to lift it to 20 per cent.

JAL more than doubles first-half pre-tax profits

BY ROBERT COTTRELL IN TOKYO

JAPAN AIR LINES, Japan's publicly-quoted government-affiliated international airline, has reported parent company profits before tax and extraordinary items of ¥19.36bn (\$90m) for the half year to September, more than twice the ¥7.78bn reported for last year's first half.

Profits before tax, totalled ¥6.6bn, compared with ¥3.23bn last year, including items carried forward from the prior year, net profits were ¥6.97bn, compared with the ¥2.76bn for the first half of 1983-84 after carrying forward ¥3.5bn of prior year losses.

Advanced by 8.7 per cent to ¥417.4bn. The total number of international passengers carried rose by 11.8 per cent, to 2.73m producing revenues up 7.5 per cent to ¥211.44bn.

The number of domestic passengers carried rose by 7.8 per cent to 4.71m, yielding revenues up 6.4 per cent higher to ¥87.53bn. International cargo volume rose 10.4 per cent to 3.2bn ton kilometres, yielding revenues 13.6 per cent higher at ¥75.54bn while domestic cargo volume increased by 9.1 per cent to 67.3m ton kilometres, yielding revenues up 3.6 per cent to ¥7.2bn.

Sharp rise in KHI earnings

BY OUR TOKYO CORRESPONDENT

KAWASAKI HEAVY INDUSTRIES (KHI) achieved sharply higher parent company net profits of ¥4.89bn (\$20.2m) for the six months to September, compared with ¥992m at last year's halfway stage. The integrated heavy machinery manufacturer's profit before tax

and minorities for the half totalled ¥3.56bn, compared with ¥1.24bn.

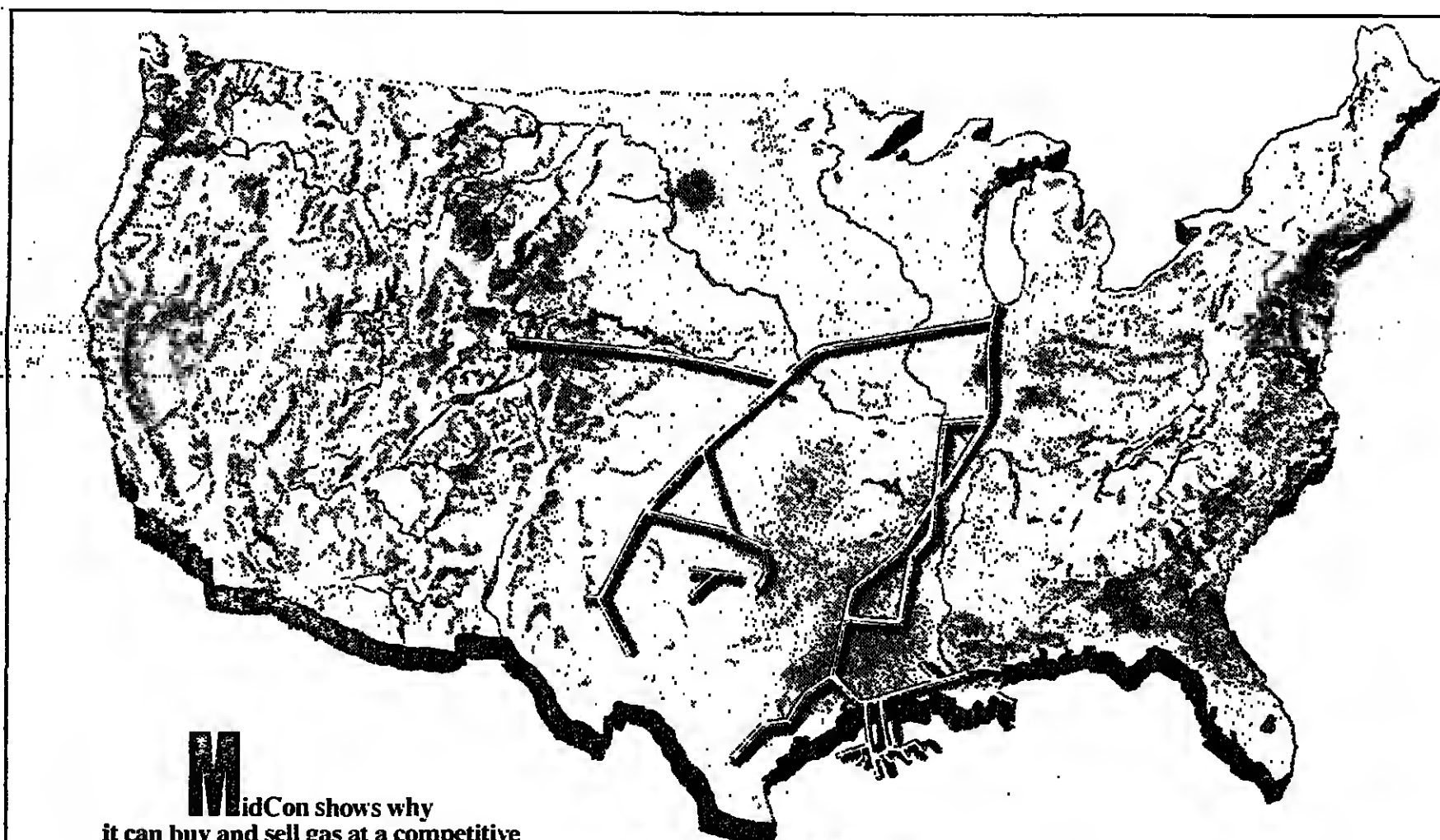
Sales fell slightly from ¥305.5bn to ¥304.84bn but exports rose by 15.7 per cent to ¥134.4bn from ¥116.16bn. No interim dividend is to be paid.

A divisional sales breakdown shows a 28.6 per cent recovery in sales of motorcycles and engines to ¥69.7bn and a 17.3 per cent fall in shipbuilding sales to ¥43.8bn.

Sumitomo Heavy Industries has reported parent company net profits for the six months to September up slightly from ¥1.21bn to ¥1.24bn (\$5.1m) despite a fall in profits before tax and extraordinary items to ¥1.84bn from ¥2.19bn. Sales fell to ¥146bn from ¥157.4bn. The interim dividend is being maintained at ¥2.5 per share.

Sales of machinery, particularly precision products expanded but the gain was offset by a drop in orders for plant and ships.

The company says full-year profits before tax and extraordinary items should reach ¥4bn to ¥4.5bn compared with the ¥4.28bn achieved in 1983-84.



MidCon shows why it can buy and sell gas at a competitive advantage.

The map tells the story. Our pipelines go where the gas is. And move it to where it's needed. From the Rockies to Louisiana and the Gulf from Chicago to Texas and New Mexico. Our 15,000 miles of pipelines are right where you'd want to have pipelines. And that gives us several advantages:

BUY LOW, SELL LOW.

We can shop for gas nearly everywhere gas is found. And buy wherever it's cheapest. This allows us to sell gas at highly competitive rates and still earn a reasonable margin. Which gives us an advantage in competing for share of market in the new, open markets for gas.

The effect of this advantage is already clear. Our nine-month earnings were a record \$129 million.

We built our pipeline network through an accelerating acquisition program. The starting point was Natural Gas Pipeline Company of America, one of the lowest-cost pipeline suppliers in the continental U.S. and our largest producer of revenue.

We were a partner in building the Trailblazer Pipeline from the West in 1982, and we acquired Mississippi River Transmission Corporation in 1983.

This year, we became full or joint owners of three more pipeline companies. All told, we've added over 2,900 miles of pipelines since the fall of 1983.

ACQUISITIONS THAT BUILD PROFITS.

Our acquisitions help us in several specific ways. They expand our markets. Improve operating margins. Balance seasonal deliveries. And achieve economies of scale. For example, last year we used our network to move over 300 billion cubic feet of gas for other companies. This lowered our unit costs.

We've already made some important acquisitions. But we're still looking for more good opportunities. Especially pipelines that can make the most of low-cost gas and aggressive marketing.

Mississippi River Transmission Corporation is a good example. Within six months after we acquired it, MRT reduced its rates three times. And its nine-month earnings were twice as high as last year's (with a little help from a hard winter).

Not all our pipeline acquisitions have done that well, but every one of them will contribute to our bottom line in 1984. Even after acquisition costs.

5 STRENGTHS THAT KEEP US FLEXIBLE.

As we look at the Eighties, we see a lot of uncertainty in gas marketing. And a lot of opportunity.

Which is precisely the reason we have structured our company to be ready for anything. In a word, we're flexible. And we build that flexibility on five main strengths:

1. Ability to buy gas at low cost.
2. Ability to market gas at low prices.
3. Strong cash flow.
4. Ability to acquire the right pipeline companies at the right times.
5. Strong, experienced management.

For more information on our plans for the Eighties, contact Kathleen Vuchetich, Manager, Investor Relations, MidCon Corp., 701 E. 22nd Street, P.O. Box 1207, Lombard, IL 60148. Or phone (312) 691-2557.



MIDCON CORP.

Granville & Co. Limited

Member of The National Association of Security Dealers and Investment Managers
27/28 Lovat Lane London EC3R 8BB Telephone 01-621 1212

Over-the-Counter Market

1983-84	Company	Price	Change	Gross Yield	Fully
142 120	Ass. Brit. Ind. Ord.	142	—	8.3	4.4
158 117	Ass. Brit. Ind. GULS...	142	—	10.0	7.0
78 53	Ainsworth Group	53	—	6.4	12.1
42 21	Avening & Rhodes	42	—	2.9	6.9
132 57	Bardon Hill	117	—	3.4	2.5
88 42	Bry. Arch. Ind.	42	—	3.6	5.1
172 172	CCZ Ordinary	174	—	12.0	8.8
185 117	CCZ 11p Conv. Pref.	118	—	15.7	13.3
735 100	Companys International	735	—	6.7	0.8
249 55	Concord Group	52	—	6.5	9.2
73 45	Deborah Services	71	—	6.5	9.2
280 75	Frank Horrell	228	—	8.5	4.7
208 75	Frank Horrell P.O. Ord	208	—	4.3	16.0
69 26	Frederick Parker	27	—	4.3	16.0
44 32	George Blair	38	—	2.7	7.1
80 38	Ind. Precision Gearing	200	—	15.0	7.5
218 200	Ile Group	200	—	4.8	4.4
124 81	Jackson Group	110	—	13.7	5.1
270 212	James Barrough Sp. Pl.	59	—	12.9	13.9
83 83	James Barrough Sp. Pl.	59	—	12.9	13.9
147 100	Lingaphone Ord.	138	—	15.0	15.8
100 38	Lingaphone 10p Ord	138	—	3.8	0.8
478 75	Minister Holding NV	475	—	5.0	15.5
176 32	Robert Jenkins	32	—	5.7	10.8
74 34	Scruttons A	87	—	—	—
129 51	Tesley & Carless	87	—	4.3	1.1
444 377	Trojan Holdings	377	—	7.5	9.1
26 17	Unilock Holdings	20	—	4.3	1.1
45 45	Weiner Alexander	20	—	7.5	9.1
276 226	W. S. Yates	226	—	17.4	7.6

Prices and details of services now available on Pretext, page 48148

INTL. COMPANIES & FINANCE

Lone Star rides again on hopes of cement demand outstripping supply

BY IAN RODGER

MR JIM STEWART, chairman of Lone Star Industries, the biggest U.S. cement maker, is renowned for his colourful attacks on cement imports into the U.S., and on sales of U.S. cement plants to European companies.

Yet somehow along the way, Lone Star became last year the largest U.S. importer of cement; and last week, it sold a few aggregates and concrete plants in Florida to Tarmac of the UK for \$79m.

Mr Stewart makes no apologies for turning poacher. "We fight imports, telling people to buy American," he said recently in London. "But our President (Reagan) is totally for free trade, regardless of the consequences, so we are in the process of improving our import facilities. In the last shortage, we were the biggest importer, and we will be the biggest importer again. But we are also running our plant full out."

His dealing with foreigners is not done joyfully either. It is the result of a dash for growth by Lone Star in the 1979-83 period in the hope of a U.S. cement market recovery that did not materialise. The company has had the name coined for it of "Lone Star", because of the \$235m it has added to its long-term borrowings since 1979, and Mr Stewart acknowledges that debt, at over \$400m, "is higher than we would like it to be."

Net income plunged from \$39.2m in 1980 to \$21.2m last year, and would have disappeared were it not for asset disposals. Interest charges last year of \$84.1m were well ahead of the \$58.1m in profits on operations.

Since last year, the company has been selling off assets and closing plant at a cracking pace, but Mr Stewart insists that Lone Star is still strongly and exclusively committed to the cement industry.

"We're a repositioner," he says. "We're looking at our assets and determining how they measure up to our return on investment goals. If they don't, then we are selling them, either to repay debt or to acquire other properties near to our existing cement or aggregates plants."

The sales to Tarmac consist of four quarries, 33 ready mix concrete plants and nine concrete block plants. Florida has been a big problem for Lone Star because of the high penetration of low price imports in the state, including those brought in by the company itself. "Without the imports, prices would be \$10-\$20 a ton (20-40 per cent) higher there," Mr Stewart says.

The \$79.3m proceeds from the sales to Tarmac will also help Lone Star along the road to its objective of reducing debt to less than 40 per cent of total capital.

That in turn will add force to Mr Stewart's argument that Lone Star is, at last, going to be making good profits from cement.

That argument, and Lone Star's expansion programme, started when it became apparent in the mid-1970s that U.S. cement capacity was on the decline. Old plants with high energy costs were unable to remain competitive, and were

embarked on an ambitious acquisition and expansion programme that raised its cement capacity from 4.5m tons in 1974 to an industry leading 11.1m tons today.

Previously, the company had been attempting to diversify to offset the effects of cyclical demand for cement, but by 1979 it had sold off all of its other businesses, to concentrate exclusively on cement and related products.

Things started to go wrong for Lone Star in 1981, when the usual recovery in the cement markets did not appear. Also, capacity was not declining as quickly as Mr Stewart had hoped, because European companies had been rushing to buy U.S. plants and build deep water terminals for imports.

Now, however, things are looking up. Demand has been rising since early 1982, and import growth is being restrained by terminal capacity. No new cement making capacity is under construction, and it takes three to five years to get a new plant on stream.

Recently, the producers have been able to make price increases stick in most regions, and prices are currently per cent to 8 per cent higher than a year ago, Mr Stewart says.

Lone Star saw an opportunity here, especially if U.S. governments began to step up spending on much needed infrastructure improvements; and so it

embarked on an ambitious acquisition and expansion programme that raised its cement capacity from 4.5m tons in 1974 to an industry leading 11.1m tons today.

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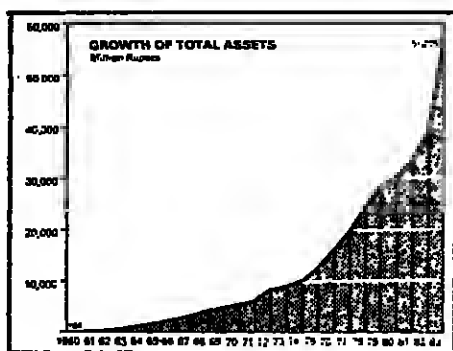
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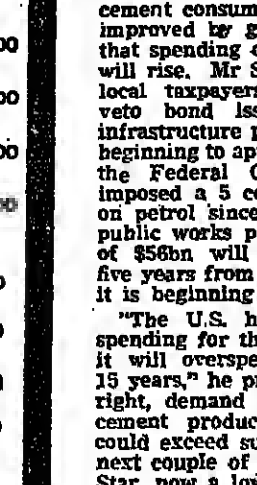
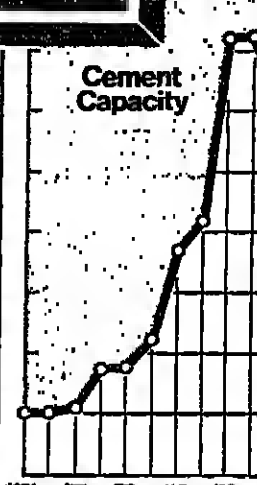
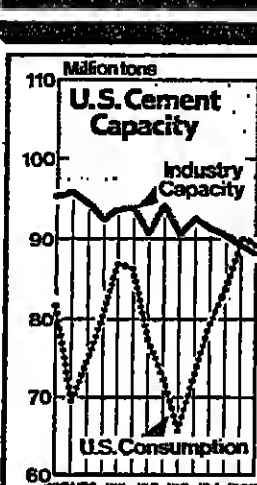
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(Incorporated with limited liability in Jersey under the provisions of the Companies (Jersey) Laws 1961 to 1968)

The authorised share capital is U.S. \$5,000,100 divided into 100 Founders Shares of U.S. \$1 each (all of which are issued and fully paid) and 500,000,000 Unclassified Shares of U.S. 1 cent each of which on 1st November, 1984 43,772,264.10 were issued as Participating Redeemable Preference Shares.

Participating Redeemable Preference Shares are available in the following Class Funds:-

Currency Funds	Sterling Deposit Fund
	U.S. Dollars Deposit Fund
	Deutschmark Deposit Fund
	Yen Deposit Fund
Equity Funds	Swiss Francs Deposit Fund
	North American Fund
	Japan Fund
	Pacific Basin Fund
Other Funds	International Growth Fund
	British Fund
	Sterling Gilt Fund
	International High Income Fund
	Yen Convertible Bond Fund

Application has been made to the Council of The Stock Exchange for the admission to the Official List of all the Participating Redeemable Preference Shares issued and available for issue.

Particulars of the Company and the securities are available in the Extel Statistical Service and copies of such particulars may be obtained during normal business hours on any weekday up to and including 23rd November, 1984 from:-

Gartmore Investment Management Limited,
Cayzer House, 2-4 St. Mary Axe,
London EC3A 8BP
Telephone: 01-623 1212

Grievson Grant and Co.,
Barrington House,
59 Gresham Street,
London EC2P 2DS
Telephone: 01-606 4433

Gartmore Fund Managers International Limited,
6 Caledonia Place, St. Helier,
Jersey, Channel Islands
Telephone: 0534-27301

These securities were offered and sold outside the United States. This announcement appears as a matter of record only.

U.S. \$125,000,000

Marine Midland Bank, N.A.

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S. G. Warburg & Co. Ltd.	Bank of Tokyo International Limited	Barclays Bank Group
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Kyowa Bank Nederland N.V.	Société Générale	Tokai International Limited
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November, 1984

UK COMPANY NEWS

Sainsbury rises to £75m as margins edge higher

J. Sainsbury, the supermarket operator, achieved further strong growth over the 26 weeks ended October 6, 1984 and is effectively raising its interim dividend from 1.2p to 1.4p net per 25p share.

On the back of a £226.8m rise in sales, including VAT, to £1.8bn profits for the period advanced from £62.5m to £75.1m at the pre-tax level, an increase of some 20 per cent.

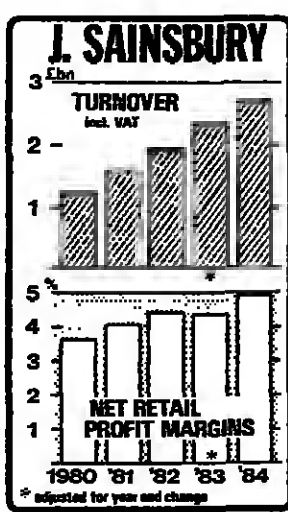
Retail profits improved by 21 per cent to £71.6m (£59.3m) and margins to 4.49 per cent (4.36 per cent).

Sir John Sainsbury, the chairman, says group prices remained highly competitive against all large store groups including supermarkets.

Sales for the half year rose by 17.5 per cent and volume growth (sales adjusted for inflation) by some 10 per cent—the rate consistently attained over the past three years.

The volume growth came from increased sales in existing stores as well as from new openings. Of a total of 18 new supermarkets in the current year six are in the north of England.

Sainsbury's products were sold for the first time in Scotland with the opening of the sixth Sava-



Centre in Edinburgh early last month. Sir John says that sales have "far exceeded expectations".

SavaCentre is a hypermarket concern run jointly by Sainsbury and British Home Stores.

The group's home improvement and garden centre sub-

siary, Homebase, continued to expand successfully. Shareholders are told that during the half year six stores were opened and that by the year-end 23 such stores will be trading.

Pre-tax profits included £3.3m (£2.2m) from the group's associates. These results took in the for the first time a half-year's share of profits in Shaw's, the U.S. associate whose performance has been encouraging.

Sainsbury acquired a 21 per stake in Shaw's a year ago. The company is a private food retailer with stores in Massachusetts, New Hampshire and Maine.

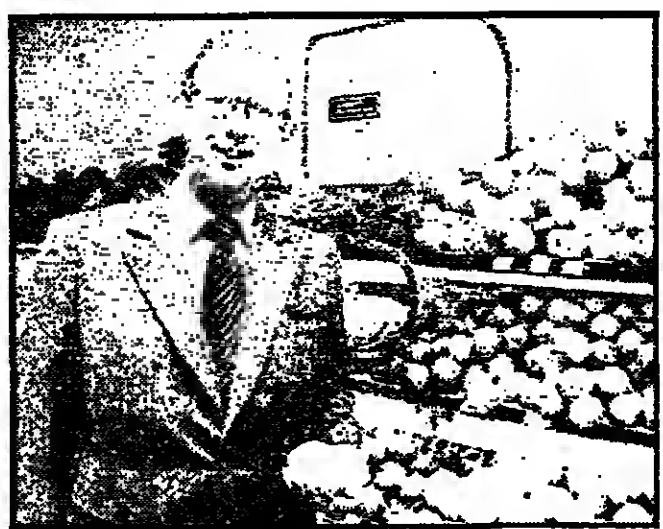
The results from Haverhill Meat Products, another associate, were adversely affected by high pig prices and the consequent difficult trading conditions.

Group net taxed profits for the half year emerged at £48.8m (£43.7m) after £1.4m more at £47.4m (£42.3m) in the previous year.

Earnings, fully taxed at 35 per cent, advanced by 19.1 per cent to 7.06p (5.83p) per share.

Interim dividend payments will absorb £1.4m more at £9.7m and will be paid to members registered on December 21.

The 1983-84 distribution under the group's profit-sharing scheme resulted in 1.4m shares going



Sir John Sainsbury, chairman of the Sainsbury supermarket chain... prices remained highly competitive

to 9,500 employees who chose to take shares as opposed to cash.

As usual no provision for profit sharing was made in the half-year's accounts since the level of profit share is dependent on the full year's figures.

For the 52 weeks to March 24 1984 group pre-tax profits rose by 29.4 per cent to £130m, the previous period covered 56 weeks but on an annualised basis profits totalled £100.7m.

David Churchill writes: Sainsbury's rapid expansion into the

north of England is seen within the grocery trade as a major attack on a region traditionally dominated by warehouse retailers, such as Asda.

In Yorkshire, for example, Sainsbury already has some 10 per cent of the grocery market and only a handful of stores, compared with 20 per cent for Asda.

Sainsbury also made it clear yesterday that the miners' strike was not deterring its expansion northwards.

See Lex

BTR sets date for £40.4m bond issue

By Ray Maughan

BTR, one of Britain's largest industrial holding companies, has set November 19 on the Bundesbank calendar for foreign borrowers as the date for the issue of a DM 150m (£40.4m) bond.

The terms of the issue, which is to be led jointly by BTR Bank in Frankfurt and by Hill Samuel in London, have not yet been fixed but market conditions are currently indicating a yield of 7 1/2 per cent.

The group took on a very high level of debt last summer when, in one of the most spectacular bid battles of its day, it acquired Thomas Tilling, another industrial conglomerate, for over £650m.

But BTR has been expected to use its own very strong cash flow to bring gearing down significantly by 1987 and the DM bond has been planned to replace variable rate DM debt matched by BTR's operating assets in West Germany.

Prominent among BTR's portfolio of West German subsidiaries is ADS Anker, the electronic point-of-sale equipment manufacturer.

Receiver called into Atlas Agrochemicals

A receiver has been called into Atlas Agrochemicals. Attempts by the company to raise finance were unsuccessful and without additional funds it was unable to keep going.

There is also to be a one-for-one scrip issue.

Outside distribution, the chairman says that the manufacturing companies worked hard and successfully to improve their results. Although agricultural machinery sales fell from £28.7m to £21.6m, the division produced trading profits nearly doubled at £1.8m against £0.9m.

For the future in manufacturing, however, the chairman says that farm machinery companies are having to cope with the uncertainties caused by the recent introduction of EEC milk quotas while elsewhere the picture continues to look patchy.

The engineering companies improved their performances, but there still seems way to go before their results are satisfactory.

Sales were just over £1m lower at £14.1m, but profit rose from £0.44m to £1.25m.

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Wolseley-Hughes is propelled by distribution growth

"EXCEPTIONAL performance"

Wolseley-Hughes distribution company, which has been the U.S. propelled the group to record results in the year to July 31 1984. Profit before tax rose by more than £10m to £25.9m.

This result compares with £15.3m in 1982/83, and was mostly generated in a second half surge which added £16.3m against £8.57m. By far the major share of the total was from the distribution activities, which contributed £24.2m to trading profits, up from £16.15m.

The group, based in Worcester-shire, also has interests in agricultural machinery, engineering, plastics and footwear.

Aggregating turnover rose substantially from £383.7m to £445.2m, again with a significant boost from distribution, especially in the U.S.

Mr Jeremy Lancaster, the chairman, says that the results show that the group is in good shape. The distribution companies can successfully exploit the opportunities available to expanding businesses, but U.S. growth will probably not be at the same rate as the year under review.

The directors are proposing a final dividend increased from 10.81p to 12.15p net per share, boosting the total by just over 10 per cent to 17.4p (15.8p). State earnings per share rose by nearly 50 per cent to 75.7p (51.06p).

There is also to be a one-for-one scrip issue.

Outside distribution, the chairman says that the manufacturing companies worked hard and successfully to improve their results. Although agricultural machinery sales fell from £28.7m to £21.6m, the division produced trading profits nearly doubled at £1.8m against £0.9m.

For the future in manufacturing, however, the chairman says that farm machinery companies are having to cope with the uncertainties caused by the recent introduction of EEC milk quotas while elsewhere the picture continues to look patchy.

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£10.23m and trading profit up from £0.59m to £0.8m.

Commenting in detail on distribution, Mr Lancaster says that Wolseley-Hughes Merchants increased its sales in a static market by opening 11 new branches, promotional activities and further concentration on plumbing and bathroom material. The demand for pipes, valves and fittings in the UK is lower than he would wish, but K5 Pipeline Supplies has returned to profitability and morale is high. The plant hire company had a record year.

The results of the U.S. distribution company, Ferguson Enterprises, based from the investigating trading conditions in there, the new branch, programme and the strong dollar. There were 11 new branches this year and 18 in 1983-84. The plan is for Ferguson to further increase its presence in the U.S. both by acquisitions and organic growth. The search for sales opportunities continues.

Group profit on ordinary activities has benefited by some £620,000 as a result of exchange rate movement.

Mr Lancaster increased sales in the U.S. necessitated additional dollar borrowings. Overall, cash usage in the group is well controlled. The effective year-end closing was 20.8 per cent (1983 14.6 per cent). Interest charges for the 12 months were virtually unchanged at £3.35m (£3.22m).

Mr Lancaster says that the group's performance was satisfactory, but there still seems way to go before their results are satisfactory.

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Standard Life plan aims at pensions flexibility

Standard Life Assurance, Scotland's largest life company and a leading UK pensions company, has launched a new range of individual and group plans designed to offer maximum flexibility, within the current legislation and Income Revenue practice, to individuals planning their pensions.

Under the title of the Castle Pension Series, the new plan has five main components—the Executive Pension Plan, the Group Plan, the Voluntary Contributions Plan, the Transfer Plan and the Trust Investment Plan.

The Castle Pension Series can pass through several different phases of employment and self-employment, each phase having its own pension arrangement.

There is currently a move to provide complete portability in the pensions field so that an individual can transfer his or her arrangement which he or she has throughout the working life. But

it will be some years before enabling legislation is enacted.

Standard Life, with its Castle Pension Series, is endeavouring to provide that portability as far as possible.

These plans all operate on a money purchase basis, so that the contributions paid are invested and the accumulated fund at retirement used to purchase an annuity. There is no guarantee as to the ultimate pension.

Standard Life offers a choice of eight funds—six unit linked and two with profit schemes with transferability between the various funds. Standard Life being both a traditional and a unit-linked life company can offer both types of investment—feature that linked life companies cannot offer.

Standard Life has an arrangement whereby if desired it will act as trustee and thus further simplify the documentation and administration.

Cosalt takes 'severe action' to neutralise caravan losses

Cosalt's activities in ships' chandlery turned in higher profits for the 52 weeks to September 2 1984 and offset losses and lower returns from elsewhere in the group.

The caravan division had a "bad trading year" and this, coupled with extraordinary costs of reducing capacity and related interest charges, resulted in a divisional loss of £363,000 against a profit of £32,000.

Action to neutralise the damage has been severe, state the directors, including the closure of one production line for touring caravans in Grimsby and large cuts in salaries and wages for staff and operatives.

Losses, although reduced at £45,000 against £38,000, were again sustained in refrigeration and air conditioning and profits in finance and aviation fell from £101,000 to £10,000. Losses from other discontinued activities largely Cosalt's Algerian systems building operations were £367,000 lower at £157,000.

By contrast, ships' chandlery profits rose from £148m to £1.8m, enabling Cosalt to show an improved taxable result of £336,000 compared with £37,000.

E. A. Brian, group chairman, says that ships' chandlery continues to be the strength of Cosalt's business. A large part of this division consists of manufacturing facilities where some factories are working three shifts a day, seven days a week.

Also, exports have increased, says Mr Brian, and activities in

the offshore gas and oil supply industry have continued to expand.

UK COMPANY NEWS

Gomme at £1.5m as recovery holds

Gomme Holdings, manufacturer of G-Plan furniture, continued its recovery during the second half to return pre-tax profits for the year to July 27, 1984, of £1.5m compared with losses of £313,000 last time.

As forecast by Mr Leslie Gomme, the chairman, in May second half profits of £682,000 were lower than the first half's £884,000 due to the general weakness of the furniture trade.

Turnover for the year moved ahead from £26.34m to £28.44m, and net earnings per 25p share rose to 11.4p compared with losses of 3.06p.

The directors are unable to recommend a final dividend as they consider it is in the best interest of the company to continue to reduce its borrowings and rebuild its asset value. The last ordinary dividend was an 0.887p interim in 1983.

The company's progress depends upon its ability to increase its market share by continual improvement in the product range, marketing and factory efficiency, the directors

say. They are confident this can be achieved.

The weak market, reported by the chairman in May, continued through the summer. Since August, the level of orders has improved, and the company's



factories are "very busy." However, the improvement is normal for the time of the year, and the overall demand for furniture remains depressed when compared with the levels of the seventies.

Bank borrowings at the year end were lower at £3.05m against £4.9m. This reduction, the directors say, was achieved mainly because profitable trading, combined with continued improvement in production plan-

ning and efficiency, reduced the ratio of stock to turnover.

In view of available tax losses of nearly £8m, no mainstream corporation tax will be paid in the medium term, and profits earned will be directly reflected in reduced borrowings. The tax charge this time was down from £51,000 to £13,000.

An extraordinary item took £90,000 this time, compared with £245,000. The auditors' report is qualified regarding the valuation of the company's freehold and leasehold properties.

● comment

As Gomme predicted, second-half profits have slipped back and while the near £300,000 shortfall against the interim is a shade below original expectations, the sector as a whole was in the doldrums during the summer. Evidently the delayed imposition of 15 per cent VAT on fitted kitchens and bedrooms diverted some spending away from free standing furniture.

Yet, even accepting that factor as exceptional, the traditional furniture market remains depressingly flat with no sign of any real upturn coming. So Gomme has devised a recipe to further its recovery which demonstrates fairly classical management thinking. The company hopes to increase its market share by broadening the appeal of its cabinet and upholstery designs, improve production efficiency and use its cash flow to cut its debt. The interest charge fell by £38,000 to £508,000 last year and borrowings are now down to 48 per cent of shareholders' funds against over 90 per cent the year before. Despite that improvement dividends on the ordinary look some way off even though the preference arrears are being cleared. The market is understandably adopting a cautious approach to the shares at 25p. Gomme may achieve its targets but it is now a fairly small player in a market that has changed considerably since G Plan was a household name.

Amal. Estates' £2m rights issue

BY ALISON HOGAN

Amalgamated Estates, a property investment company which came under new management earlier this year, is raising nearly £2m in a one-for-one rights issue.

The funds will be used to reduce company debt and provide additional working capital. The company has acquired a number of properties and disposed of others to improve the quality of its portfolio. Further acquisitions are likely to follow.

Mr David Pearl, who became chairman in March, says that he and the other directors have worked to reduce the company's gearing. They have let the

remaining 20 per cent of unlet properties in the portfolio to increase cash flow, reduced overheads and settled all outstanding litigation left over from the previous management.

The company has stemmed the losses of the company, which amounted to £1.65m in the year to March compared with £1.83m in 1983. A further significant improvement is expected in the current year.

The company is issuing 38.27m shares of 5p each at par. Promotions House, of which Mr Pearl is also a director, holds some 20 per cent of Amalgamated's share capital and will be

taking up its rights in full.

The English Association Trust, the company's financial advisers and its brokers, Statham Duff Stoop, will underwrite a further 10m shares.

The company is receiving £640,000 annual rent from its fully let portfolio. The directors say that the proposed acquisition of the remaining interest in Crystal House, a property at Preston, and the Parnell Trade Estate, in Dublin, will "significantly improve" the company's portfolio.

The book value of properties gives a net asset value of around 8.5p per share.

Gartmore gets SE listing for investment fund

Gartmore Investment Management has secured a Stock Exchange listing for one of its newest funds.

Capital Strategy Fund, which has attracted about \$50m since its launch in May, is made up of 13 sub-funds allowing investors to switch between currencies, international equities and fixed and variable interest securities.

Mr Adrian Collins, managing director of Gartmore, said the listing would increase the marketability of the fund. First it would make it available to those pension funds which were unable to invest in unlisted companies; secondly it would allow the fund to issue a continuing prospectus; thirdly it would give the fund an "enhanced respectability."

Mr Collins said about 40 per cent of the funds attracted so far came from overseas, in particular Hong Kong, Australia, the Caribbean and the Continent.

Better year for Microfilm Repro.

Taxable profits of £261,000 are accounted for Microfilm Reprographics for the year to June 30, 1984, on turnover up from £1.34m to £2.17m. For 1983-84 the company, which supplies and rents microfilm and related equipment, incurred losses of £33,000.

Profits for the second half of the year came out at £180,000 (£17,000), and the final dividend is lifted from 0.25p to 1p net for an unchanged 1.5p total. Earnings per 10p share were stated as 7.01p on actual tax basis, compared with losses of 2.06p.

The directors say that with the expansion in the group's activities and continued growth in the micrographics industry, turnover and profits for all divisions for the first quarter of the current financial year are running well ahead of the comparative period.

The company, which is quoted on the Unlisted Securities Market, proposes a one for two scrip issue. Tax took £22,000 this time against a tax credit of £32,000.

Staffs. Potteries

Mr Bill Bowers, chairman of Staffordshire Potteries Holdings, told the annual meeting that demand at home and overseas continued to be buoyant although the market place remained very competitive. He added that the value of orders to-house stood at a record level and told shareholders that provided that there were no adverse changes in retail activity the prospects for the group continued to be encouraging.

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Yearlings down

The interest rate for this week's issue of local authority bonds is 10 1/2 per cent, down 1/2 of a percentage point from last week, and compares with 9 1/2 per cent a year ago. The bonds are issued at par and are redeemable on November 13 1985.

A full list of issues will be published in tomorrow's edition.

LADBROKE INDEX
Based on FT Index
902-906 (-4)
Tel 01-427 4411

SAINSBURY'S
Further strong growth

The unaudited interim results for the Group were:

£ million	1984	1983	Change
	28 weeks to 6th October	28 weeks to 8th October	
Sales*	1,598.3	1,359.7	+17.5%
Retail Profit	71.8	59.3	+21.0%
Retail Margin	4.49%	4.36%	
Associates	3.3	3.2	+ 4.4%
Profit before Tax	75.1	62.5	+20.1%
Profit after Estimated Tax	48.8	43.7	+11.5%
Earnings per Share†	7.06p	5.93p	+19.1%
Dividend per Share	1.4p	1.2p	+16.7%

*includes VAT £69.4 million (1983 £57.3 million) †fully taxed at 35%

Salient Points

1 Retail profit increased by 21% and the net margin percentage was 4.49%, very similar to the figure for the same period last year. Our prices have remained highly competitive against all large store groups including supermarkets.

2 Sales rose by 17.5% and volume growth (sales adjusted for inflation) by approximately 10%, the rate consistently attained over the past three years.

3 The volume growth came from increased sales in existing stores as well as from the new openings. Of the total fifteen new supermarkets in the current financial year, six are in the north of England.

4 Sainsbury products were sold for the first time in Scotland with the opening of the sixth SavaCentre, in Edinburgh, on 2nd October. Sales have far exceeded expectations.

5 The home improvement and garden centre subsidiary, Homebase, continued to expand successfully. During the half year six stores were opened and by the year end there will be twenty-three trading.

6 For the first time these results include a half year's share of the profits in Shaw's, our US associate, whose performance has been encouraging.

7 The results from Haverhill Meat Products have been adversely affected by the high pig prices and the consequent difficult trading conditions.

8 The 1983/84 distribution under our profit sharing scheme resulted in 1.4 million shares going to 9,500 employees who chose to take their distribution in shares rather than cash. As usual, no provision for profit sharing has been made in the half year's accounts since the level of profit share is dependent on the full year's results.

Interim Dividend

The Directors have declared an interim dividend of 1.4p per share (1983 1.2p) which, together with its associated tax credit is equivalent to a gross dividend of 2p. This dividend will be paid on 18th January 1985 to shareholders on the register of members at the close of business on 21st December 1984.

Good food costs less at Sainsbury's

This advertisement is issued in compliance with the regulations of the Council of The Stock Exchange in London. It does not constitute an offer of, or an invitation to subscribe for or otherwise acquire, any Bearer Depositary Receipts of Koninklijke Wessanen N.V.



WESSANEN

KONINKLIJKE WESSANEN N.V.

(A public limited liability company incorporated under the laws of The Netherlands and registered in Amsterdam—No. 145851)

Share Capital

Authorised Dfl.	Issued Dfl.
89,950,000	57,597,700
90,000,000	—
50,000	50,000
180,000,000	57,647,700

The Council of The Stock Exchange in London has admitted all the Bearer Depositary Receipts (non-voting) in respect of the Ordinary shares of Koninklijke Wessanen N.V. to the Official List. The Bearer Depositary Receipts are also listed on the Amsterdam Stock Exchange. Particulars relating to Koninklijke Wessanen N.V. are available in the Exel statistical service and will be available during normal business hours on any weekday (Saturdays and public holidays excepted) up to and including 21st November, 1984 from:-

Morgan Grenfell & Co. Limited,
New Issue Department,
21 Austin Friars,
London EC2N 2HB

Cazenove & Co.,
12 Tokenhouse Yard, London EC2R 7AN
and at The Stock Exchange

7th November, 1984

Transcontinental
Services Group N.V.

(Incorporated in Curaçao, Netherlands Antilles under the Code of Commerce of the Netherlands Antilles)

Share Capital

Authorised
US \$20,000,000

in Shares of 50 cents each

Issued and now being
Issued fully paid
US \$15,292,817

In addition there are outstanding 2,255,768 Warrants to subscribe for that number of Shares of 50 cents each in Transcontinental Services Group N.V.

Application has been made to the Council of The Stock Exchange for the Shares and Warrants of Transcontinental Services Group N.V. to be admitted to the Official List. Dealings in these securities are expected to commence on Monday, 12th November, 1984.

Particulars of the issuer and these securities are available in the statistical services of Exel Statistical Services Limited and copies may be obtained during normal business hours up to and including 21st November, 1984 from:-

S. C. Warburg & Co. Ltd.,
33 King William Street,
London EC4R 9AS.

Guinness Mahon & Co. Limited,
32 St. Mary at Hill,
London EC3P 3AJ.

Cazenove & Co.,
12 Tokenhouse Yard,
London EC2R 7AN.

de Zoete & Bevan,
25 Finsbury Circus,
London EC2M 7EE.

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BIDS AND DEALS

Suter makes revised offer for Francis Industries

BY RAY MAUGHAN

Suter, the air conditioning and hand-dressing equipment group headed by Mr David Abell, finally expects to get Francis Industries in its grasp today as the two sides unveil terms of a revised bid agreement.

The revision has been caused by the anticipated shortfall on Francis' earlier profit forecast for 1984 which originally indicated annual profits of almost £2.4m.

Various factors, notably the effect of the Austin Rover dispute on Francis' Sagar-Richards gearbox components subsidiary, are now bringing official estimates down to some £2m, hence Suter's

determination to withdraw and, if possible, to re-negotiate.

The exact details of the re-cast, recommended, offer are not yet known, but it is understood that the two sides have struck at a point about midway between Suter's first, rejected, offer last March which was worth 115p per share, on a cash underwritten basis, and the subsequent deal worked out at the beginning of last month when the cash alternative was worth 130p per share. Thus, the latest underwriting agreement, which is thought to have been fixed last night, will give accepting Francis shareholders a price a little over 130p. As in October, when Suter

offered five of its own shares for every four Francis shares, the re-negotiated deal will contain a full equity exchange component. A month ago, Suter's shares were standing at 132p to give an original exit price of 165p. Suter's shares were trading yesterday at 120p and the consequent "see-through" price would take Francis shareholders at the equivalent of a little under 140p.

Suter already holds almost 43 per cent of Francis although its average price after a year long buying campaign is thought to be substantially under 100p per share. Francis shares remained suspended at 151p.

Brown and Jackson restructure

BY ALEXANDER NICOLL

E. and G. Harris, a toiletries and cosmetics wholesaler now wholly owned by Brown and Jackson, is to merge with the private trading company of its managing director, Mr Ed Harris. The Brown and Jackson subsidiary and Majorbrace, Mr Harris' private company, are being grouped into a new holding company, called Glassjump, owned 50/50 by Brown and Jackson and Mr Harris. Majorbrace imports and distributes household electrical appliances. Mr Brian Duffy, joint chairman

of Brown and Jackson, which also has interests in construction, commodity trading and leisurewear, said the merger made sense because it put all of Mr Harris' trading interests into one vehicle.

Brown and Jackson was expected to benefit from the fast-growing activities of Majorbrace, Mr Duffy said.

No money is changing hands in the deal, which can be reversed if Glassjump's pre-tax profits in 1985 fall short of £550,000.

Brown and Jackson and another subsidiary will be repaid £850,000 of inter-company loans to E. and G. Harris in three equal annual instalments.

E. and G. Harris, acquired by Brown and Jackson in 1978, had trading profits of £303,877 in 1983, and Majorbrace's electrical importing business had pre-tax profits of £51,000 in the same year. However, it is thought that the contribution of the two ventures to the new venture will be about equal in terms of assets and potential earnings.

London & Strathclyde gets bid approach

London & Strathclyde Trust, a Gairdner-managed investment trust with net assets of £23m, said yesterday that it had received an approach which may lead to an offer for the company. The trust aims for capital and income growth with a geographically diversified portfolio concentrating on smaller companies and emerging industries. Its biggest investment is in shares of Telerate, the U.S. business information group.

The Telerate shares, which are subject to restrictions on disposal until 1985, were valued at £2.58m in the annual report for the year ending August 31, 1983. At that time, 25 per cent of the portfolio, including the Telerate stock, was in unlisted investments.

The trust has several significant institutional shareholders. Its share price rose 11p yesterday to 188p.

Share stakes

Johnson Group Cleaners — Director Mr W. H. Davidson has purchased 77,882 ordinary and 2,760 6.3 per cent cumulative preference shares of the Johnson Group Cleaners.

Witnoughs (Holdings) — Director Mr J. E. Witnough has purchased 10,000 ordinary shares of the company on behalf of his wife.

European Ferries Group — Director Mr J. R. Parsons has purchased 8,576 ordinary shares.

BIDS AND DEALS IN BRIEF

Harris Queensway has acquired the share capital of Vogue Interiors and Crawford Furnishings, two companies which together operate six retail furniture stores in the London area.

Total consideration is not expected to exceed £1m and will be satisfied by issue of 277,775 £1 ordinary shares of 20p each, unsecured loan notes 1985-89. The amount of notes to be issued to be determined by reference to net asset value of Vogue Interiors and Crawford Furnishings, which is calculated by the companies' joint reporting accountants, and is not expected to exceed £500,000.

London and Northern Group has increased its interests in the telecommunications industry by the acquisition of an 80 per cent interest in Edinburgh-based Tactile.

The Orion Insurance Company, a wholly-owned subsidiary of National Nederland NV, says its parent company has subscribed 20m new ordinary 50p shares at par which increases its

issued capital from £5m to £15m. The issue brings Orion's paid-up capital to a level appropriate to the continuing growth of the company.

Marling Industries has subscribed £135,000 for 88 per cent of Lofft Verpackungs GmbH, a former subsidiary of W. Ribbons (Holdings). Lofft will continue to be independently run under its present management. Its turnover is in excess of £2m. It designs and manufactures a wide range of intermediate bulk containers.

Nationwide Leisure, the Hemel Hempstead-based leisure group quoted on the USM, has acquired from Travelseekers the goodwill and other related assets of Villa Seekers, which specialises in villa holidays, for a maximum purchase price of £300,000. On completion £125,000 will be paid by way of an issue of 500,000 new Nationwide shares, with the balance, also 50p shares payable over the next year. The final purchase price will be geared to the

number of holidaymakers carried during the next year.

Villa Seekers, based in London, operates as an inclusive tour company providing self-catering villa holidays in the Mediterranean, Canary Islands and the U.S.

Caparo Industries has entered into an agreement to sell its Norton Barrow (Metals) subsidiary to Coopers Holdings for a net cash consideration of some £1.2m, which represents a premium over net assets of around £170,000. The sale by Caparo is a continuation of its stated policy of de-gearing by disposing of certain peripheral businesses.

ICI Paints Division has acquired a paint distribution company in Belgium, CN (NV) which, based in Vilvoorde, on the northern outskirts of Brussels.

European Fire Protection Holdings and Mr J. G. Murray, who owns EFP, have purchased a further 1m ordinary shares in Swift Industries, taking their

aggregate interests to 30.98m ordinary shares.

Mr Murray now has voting power upon 50.46 per cent of the outstanding share capital of Swift, of which he is chairman.

Spencer Clark Metal Industries has acquired Hahson Moughton and Co., a member of the Neepsend group, for £237,000.

The acquisition has been satisfied by an immediate cash payment of £100,000 with the balance being paid in instalments by the end of February 1985. The production facilities acquired are largely complementary to the existing Spencer Clark plant.

Osprey Communications has agreed terms in principle for the acquisition of Armstrong Long (Advertising), a private company incorporated in Northern Ireland.

The price agreed is £650,000 payable on completion, £350,000 cash and balance by allotment of 400,000 ordinary shares.

Net assets of Armstrong at December 31 1984 were £153,703.

MINING NEWS

GFSA undecided on platinum mine

BY KENNETH MARSTON, MINING EDITOR

Consolidated Gold Fields' 49 per cent-owned Gold Fields of South Africa (GFSA) is now completing its exploration programme on a platinum prospect near one of the Rustenburg Platinum Holdings' group mines in South Africa.

Mr Robin Plumbridge, chairman of GFSA, said in London yesterday that the prospect had potential but no decision had yet been taken on mining. This, he said, would depend on likely costs and on the long-term view taken of the market for platinum.

But he disclosed that though the deposit is fairly deep by platinum mining standards — starting at a depth of about

1,300m — it was not unduly deep in relation to the group's gold mining operations.

He also disclosed that there appeared to be no particular metallurgical difficulties in treating the ore, an important consideration in platinum.

Mr Plumbridge said that gold exploration near the group's Kloof mine held promise. Again, it was too early to assess the significance of the drilling results so far obtained, but it was "more than a gleam in somebody's eye."

The third aspect of the group's exploration programme is coal and the result of this, together with acquisitions over the past few years, has created

significant coal reserves awaiting exploitation.

Thus the recent move into control of Clydesdale (Transvaal) Collieries opens the prospect of GFSA becoming a significant exporter of coal and supplier to domestic power stations sometime in the 1990s.

While the bulk of GFSA's assets are in gold mining, which provided about 82 per cent of income in the year to June 30, 1984, the group continues to diversify into other mining activities.

Apart from coal, this aim is being furthered by the controlling interest now being taken in the South African Oskiep copper mine and via the stake in the

Tsumeb lead property in Namibia.

As far as gold is concerned, Mr Plumbridge said that all the group's mines were operating well, including Kloof. He added, "we are now confident that we have got on top of the technical problems" that have dogged the Kloof mine in the past.

While other South African mining groups have been carrying out forward gold sales and currency hedging operations with mixed success, GFSA has remained aloof. Mr Plumbridge saw no significant advantage in such operations in the normal course of events, adding, "we do not believe there are expected short-term market movements."

Third quarter earnings slump at Benguet

NET EARNINGS of Benguet Consolidated, one of the leading mining companies in the Philippines, in the third quarter of 1984 dropped to only Pesos 2.3m (S\$4,300) from Pesos 99.4m in the previous three months. The total for the first nine months of this year comes out as Pesos 154m against Pesos 181.8m in the same period of 1983, a fall of nearly 20 per cent.

Manila that in the latest quarter Benguet earned Pesos 33.8m from its copper-chromite operations and Pesos 1m from gold trading. But it lost Pesos 900,000 on the gold mining operations and shared in the combined net loss of Pesos 38.3m incurred by two industrial subsidiaries.

In a press conference in Manila, Mr Jaime Ongpin, the president of Benguet, saw "good" prospects for the current improvement in the current

quarter. He pointed to the benefit on earnings of the recent devaluation of the peso and said that the company's metal production should increase following completion of repairs to plant damaged by recent typhoons.

However, Mr Ongpin also said that the company was still under environmental pressure to renegotiate its long-term contracts with foreign buyers, mostly Japanese, in order to

allocate a portion of its copper concentrate production to the semi-State-owned Philippine Associated Smelting and Refining Corporation (Pasar).

Recently, when Benguet refused to deliver concentrates to Pasar, the company's export licence was cancelled by the Ministry of Trade and Industry. Benguet was allowed to export only after it agreed to ship the required tonnage to the local smelting company.



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SECTION III - INTERNATIONAL MARKETS

FINANCIAL TIMES

Wednesday, November 7 1984

Euromarket flooded with
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of issues, Page 40

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WALL STREET

Confidence undented by election

THE CLOSURE of the federal bond markets and the banks for presidential election day in no way dampened confidence on Wall Street stock markets, yesterday, writes Terry Byland in New York.

The stock market made several attempts to pierce the Dow 1,240 mark, which is seen as a significant testing point, before pushing through it in the last half hour of trading.

A final spurt of buying, stimulated by reports of a heavy turnout at the polls, took the Dow Jones industrial average to 1,244.15, a net 14.91 points higher on the day. Turnover, at 101.7m shares, was 20 per cent higher than on Monday.

Some analysts claim that if the Reagan camp succeeds in sweeping the House of Representatives - securing the White House is almost a foregone conclusion - then there will be speedy action to curb the federal deficit.

Meantime, Monday's round of three-day repurchase arrangements on the Fed's own trading account is regarded as a sign that the board may be easing credit policies already, ahead of today's

meeting of the Federal Open Market Committee.

A favourable straw in the wind may have been the ¼ percentage point cut to 11½ per cent in prime rate by Southwest Bank-St Louis, one of the smaller banks. With the banks and the bond market closed, a dip in the federal funds rate to 8½ per cent had little significance. Other credit market securities were quoted at the sharply lower yields recorded on Monday but did not trade.

The strong performance of the Dow industrial average was regarded as a significant display of optimism in view of the partial shutdown of the financial services industry.

The Dow utilities average - always an indicator of views on interest rates - jumped by more than a full point at one stage while gains in airline stocks pushed the Dow transportation average higher again.

The American Stock Exchange index, covering a broad range of smaller stocks, was also sharply better.

In computers, NCR added ¾ to \$26½, and IBM at \$127½ put on ¾. Storage Technology, which last week filed under Chapter 11 of the bankruptcy code, gained ¾ to \$4½ after arranging a \$150m credit lifeline from Chemical Bank.

A mixed oil sector was featured by another round of block trades in Tenneco, which added ¼ to \$38½ with 2m shares traded by midsession. Analysts were lost for a reason for the Tenneco trades which are unlikely to reflect bid aspirations or changes inside the company.

General Motors at \$61¼ and Ford at \$48¼ added ¾ apiece. But American Motors held unchanged at \$4½ after the

French parent group indicated that its U.S. offshoot would turn in a profit this year.

Firm spots elsewhere included market traders Salomon Bros, ¾ higher at \$33¼, and Merrill Lynch, ¾ better at \$31¼.

Caterpillar Tractor put on ¾ to \$33¼ despite a debt downgrading, while International Harvester held unchanged at \$7½.

LONDON

Lower base rates fail to revitalise

HEALTHY money supply figures and the long-awaited arrival of lower base lending rates failed to revitalise London stock markets yesterday although gilts, which had fluctuated close to overnight levels, finally displayed a firmer bias.

The FT Industrial Ordinary index, down 5.7 at noon, recovered to finish a net 2.1 off at 901.0.

Barclays Bank, the first to announce a cut of ½ percentage point to 10 per cent in its base rate, was rewarded with a 13p rise to \$43p while Midland secured a 7p advance to 357p.

Stores were mixed, with Currys up 12p to 434p and Hepworth 10p firmer at 398p although food retailer J. Sainsbury dropped 8p to 292p.

Government stocks maturing in 1988/89 benefited by up to ½ point as some investors switched funds from longer-dated issues, but interest overall was below recent levels.

Turnover in industrial shares was similarly low. The market appeared to have discounted cheaper borrowing costs and was searching for a fresh investment incentive. Higher Wall Street prices helped to restore the equilibrium later in the session.

Chief price changes, Page 32; Details, Page 33; Share information service, Pages 34-35

HONG KONG

MOST SHARES ended higher in moderate Hong Kong trading as investors felt confident that U.S. President Reagan would be re-elected and local interest rates would fall soon. The Hang Seng index rose 10.19 to 1,037.67.

China Light, however, slipped 10 cents to HK\$15.40 ahead of today's results and a possible rights issue. Losses of 25 cents each were recorded by Hang Seng Bank at HK\$36.75 and Hongkong Telephone at HK\$44.50.

Elsewhere, many other stocks secured rises. Cheung Kong recovered some ground lost on Monday with a 15-cent advance to HK\$8.30 while Evergo secured a 14-cent surge to \$8.14.

SINGAPORE

LIGHT, directionless trading emerged in Singapore as institutions took to the sidelines and speculative issues proved the only feature. The Straits Times index, marginally ahead at noon, closed down 1.10 to 833.78. Turnover fell slightly.

Pahang, the most active issue, finished 3 cents off at \$81.21 while Pan Electric, also active, closed 2 cents higher at \$53.04.

Other shares to rise included Metro, 15 cents up at \$83.12, Kuala Lumpur Kepong, 8 cents stronger at \$82.41, with Singapore News and Times Publishing each adding 5 cents to \$85.80 and \$87.95 respectively.

SOUTH AFRICA

RESPONDING to higher bullion prices, most Johannesburg gold shares settled at their higher levels after consistent active trading.

Buffels finished R3.50 up R78, and Free State Geduld scored a R2.50 advance to R59.25 while Vaal Reefs closed R7.50 up at R188.

Mining houses and mining holding companies were broadly higher in line with the rise in golds as Anglo American Corp moved 20 cents ahead to R24.80.

Industrials were narrowly mixed in dull trading as market leader Barlow Rand gained 10 cents to R10.60 and diversified cement producer Blue Circle was 5 cents up at R5.15.

AUSTRALIA

SUPPORT for gold and heavyweight mining issues following firmer bullion prices in Hong Kong and New York failed to keep Sydney prices at their early highs, and the All Ordinaries index fell 3.0 to 787.70.

BHP, however, firmed 10 cents to A\$10.45 while CSR added 3 cents to A\$3.09. Trading in oil and gas issues was subdued, with Santos steady at A\$6.40 and Claremont 3 cents ahead at A\$2.08.

Banks lost some momentum as profit-taking clipped 8 cents off ANZ at A\$5.30 and Westpac steadied at A\$4.08. National managed a 1-cent rise to A\$3.73.

CANADA

BASE METALS injected firmness into Toronto shares although hefty losses were recorded among hydrocarbon-related issues. Golds displayed some weakness, but losses were not as severe as in other mining stocks.

In Montreal, utilities were the only major weak spot and were more than offset by firmer banks and industrials.

EUROPE

Reticence ahead of poll outcome

A THIN day's trading was seen on many European bourses yesterday, with investors holding back ahead of confirmation of their expectations that President Ronald Reagan would be returned for a second term at the White House.

In a moderately firmer Frankfurt, stores found demand amid reports of a busy start to the Christmas sales season. Horten led the upsurge with a DM 5 gain to DM 188. Kaufhof rose DM 3.80 to DM 234.80, and Karstadt was DM 2.80 higher at DM 245.80.

In the steel sector, Hoesch added 50 pf to DM 108.50 following the announcement of a third successive quarterly profit and expectations of a marked rise in the 1984 result. A DM 2.30 advance for Thyssen to DM 84.80 was attributed to continued reaction to the 15 per cent sales increase of its steel subsidiary, announced last week.

Insurer Allianz fell DM 8 to DM 1,063 as it continued its pursuit of the Italian insurer RAS, acquiring a 8.3 per cent stake from an Agnelli group holding company.

Tyre maker Conti-Gummi dipped 50 pf to DM 123 following its expectations of results in line with last year's levels, despite the summer strikes. Among the motor manufacturers, BMW fell DM 6 to DM 378 and Daimler DM 1.50 to DM 577.50, but Porsche added DM 1.50 to DM 1,034.50.

Bonds firmed in active trading on expectations of further easing of domestic and U.S. interest rates. The Bundesbank sold DM 20.4m of paper following sales totalling DM 15.4m the previous session.

A decision by the Federal Constitutional Court, ruling against additional taxes on high income groups, had little impact on the market, although it could increase borrowing needs.

Amsterdam was mainly higher, with the ANP-CBS General index up 1 at 179.3.

Among the major companies, Akzo added 10 cents to F1 102.40 in continued reaction to Monday's announcement of improved third-quarter profits.

Unilever remained on its firmer tack, rising F1 5 to F1 302 while KLM slipped 20 cents to F1 43.10, despite its announcement of a higher load factor for October. Philips eased 30 cents to F1 54.90 ahead of third-quarter results, due today.

Bonds were mostly unchanged although selective buying took some high coupon issues marginally ahead.

The weaker dollar and declining U.S. interest rates gave a spur to Brussels where the All-Share index added 5.12 to 358.08.

Market leader Petrofina rebounded BFr 20 to BFr 7,350 after several days of losses, with the rise attributed to advances seen in oil majors in other centres.

Chemicals stocks were mixed, with Tessenderlo down BFr 30 to BFr 3,370, following its sharply higher first-half earnings. Solvay, the largest chemical company, gained BFr 30 to BFr 4,450.

Selective buying in Paris reversed a small early decline, and the market ended marginally ahead, although trading was described as dull.

Construction group Bouygues added FFf 19 to FFf 880 after its forecast of net

TOKYO

Blue chips in retreat from peak

AFTER another early advance in reaction to the sharp overnight trend on Wall Street, prices slumped in Tokyo yesterday, as investors retreated and off-loaded stocks in small lots, writes Shigeo Nishiwaki of Jiji Press.

Increased selling by non-residents and suggestions of a semiconductor glut on the Japanese market undermined sentiment. The Nikkei-Dow indicator added 29.66 to Monday's all-time high in the morning but fell back during the afternoon to close at 11,297.66, down 76.42.

Losses outpaced gains - 489 to 261, with 150 issues unchanged, but volume increased from 358.77m shares to 427.55m.

Investors, who had been expecting the Wall Street gain, became jittery, according to Daiwa Securities. This mood, together with the semiconductor oversupply fears, spurred selling. Sell orders placed by non-residents with the four main brokerage houses in the morning surged to 30.5m shares against buy orders for 20.5m.

Most blue chips lost ground due to light selling. Hitachi lost Y6 to Y889, NEC Y50 to Y1,260 and Toshiba Y9 to Y435. High-priced issues also dropped, with Fanuc plunging Y620 to Y11,250 and Kyocera Y170 to Y7,500.

Financials, which had been bought until Monday, came under profit-taking pressure. Sumitomo Marine and Fire Insurance shed Y9 to Y340 and Tokio Marine and Fire Y8 to Y685.

Nippon Steel remained the most actively traded stock with 30m shares changing hands, although it dipped Y1 to Y156. Mitsubishi Heavy Industries also declined Y2 to Y240, but Nippon Seiko, which was also actively traded, rose Y10 to Y735, reflecting increased demand for small ball bearings in office automation equipment.

Bond prices fluctuated in inter-broker trading, but transactions were dull on the over-the-counter market. The hope of a cut in the U.S. official discount rate prompted investors to buy, pushing down the yield on the benchmark 7.3 per cent government bonds maturing in December 1993 to 8.62 per cent at one stage, from 8.66 per cent on Monday.

However, investors turned bearish later as they grew cautious about the U.S. financial markets in the wake of the presidential election, and the yield rose to 8.67 per cent.

KEY MARKET MONITORS



STOCK MARKET INDICES				
	Nov 6	Previous	Yearago	
NEW YORK				
DJ Industrials	1,236.51	1,229.24	1,218.2	
DJ Transport	537.48	534.79	586.8	
DJ Utilities	145.88	144.95	138.59	
S&P Composite	168.46	168.65	162.44	
LONDON				
FT Ind Ord	901.0	903.1	720.1	
FT-SE 100	1,181.4	1,183.1	963.8	
FT-A All-share	548.01	549.61	447.43	
FT-A 500	597.29	599.84	484.91	
FT Gold mines	535.5	524.9	492.2	
FT-A Long gilt	10.06	10.06	10.36	
TOKYO				
Nikkei-Dow	11,297.66	11,374.08	8,347.68	
Tokyo SE	880.35	886.55	684.17	
AUSTRALIA				
All Ord.	767.7	770.7	686.9	
Metals & Mins.	467.8	461.4	593.1	
AUSTRIA				
Credit Aktien	57.75	57.80	53.73	
BELGIUM				
Belgian SE	163.25	163.03	123.91	
CANADA				
Toronto				
Metals & Mins	2,044.9	2,018.5	2,263.0	
Composite	2,412.8	2,399.8	2,397.8	
Montreal				
Portfolio	118.85	118.54	117.36	
DENMARK				
Copenhagen SE	172.24	171.54	198.8	
FRANCE				
CAC Gen	181.5	181.4	140.5	
Ind. Tendence	118.8	118.2	88.6	
WEST GERMANY				
FAZ-Aktien	373.34	372.07	334.81	
Commerzbank	1,090.7	1,088.8	994.9	
HONG KONG				
Hang Seng	1,037.67	1,027.48	889.49	
ITALY				
Banca Comm.	213.22	214.39	186.89	
NETHERLANDS				
ANP-CBS Gen	179.3	178.3	136.3	
ANP-CBS Ind	140.8	140.2	108.9	
NORWAY				
Oslo SE	285.5	286.54	199.37	
SINGAPORE				
Straits Times	833.78	834.88	940.3	
SOUTH AFRICA				
Gold	n/a	1,027.0	708.3	
Industrials	n/a	891.3	879.7	
SPAIN				
Madrid SE	141.88	142.79	128.3	
SWEDEN				
J & P	n/a	1,437.72	1,389.67	
SWITZERLAND				
Swiss Bank Ind	383.6	383.2	353.9	
WORLD				
Capital Int'l	Nov 5	Prev	Yearago	
	189.1	187.8	177.4	
GOLD (per ounce)				
	Nov 6	Prev		
London	\$345.75	\$343.00		
Frankfurt	\$346.25	\$343.00		
Zurich	\$345.75	\$342.75		
Paris (fiding)	\$345.58	\$344.69		
Luxemburg (fuding)	\$348.15	\$342.05		
New York (Dec)	\$347.20	\$349.80		
COMMODITIES				
	Nov 6	Prev		
London				
Silver (spot tiding)	600.30p	593.65p		
Copper (cash)	£1,075.00	£1,088.50		
Coffee (Nov)	£2,490.50	£2,458.50		
Oil (spot Arabian light)	\$28.25	\$28.25		

ONLY THE PUREST GOLD HAS IMMORTAL VALUE THROUGHOUT THE WORLD.



Over 3000 years ago, the ancient Egyptians immortalized their King Tutankhamen in the purest of gold. Even then they knew that pure gold would have everlasting value. And that is still true today. Whoever invests in gold should also choose its purest form. Canada's Maple Leaf, for example, is struck with the purest gold that you can buy today. It contains no base metals and is the only coin available at banks with a purity of 999.9/1000 fine gold - guaranteed by the Canadian government.

What does that mean for you? In contrast to ordinary gold coins which



Canada's Maple Leaf

are 22-carat gold, you get the purity of 24-carat gold for your money with Maple Leaf. And, a high degree of assurance that you can trade it easily anytime, anywhere in the world.

Therefore, prudent investors can follow the example of the ancient Egyptians. Whoever wants to acquire longterm value should choose gold of the highest purity. And today, that is the 999.9/1000 of the Canadian Maple Leaf - a purity for which there is no substitute.

Canada's Maple Leaf

MAPLE LEAF THERE IS NO SUBSTITUTE FOR PURITY.

هكذا حدثنا القليل

Continued on Page 31

AMERICAN STOCK EXCHANGE COMPOSITE CLOSING PRICES

[illegible]

Continued on Page 32

NEW YORK STOCK EXCHANGE COMPOSITE CLOSING PRICES

[illegible]

Sales figures are unofficial. Yearly highs and lows reflect the previous 52 weeks plus the current week, but not the late trading day. Where a split or stock dividend amounting to per cent or more has been paid, the year's high-low range a dividend are shown for the new stock only. Unless otherwise noted, rates of dividends are annual disbursements based on the latest declaration.

a-dividend(s) extra(s) b-annual rate of dividend paid stock dividend. c-liquidating dividend dto-called. d-new year low e-dividend declared or paid in preceding 12 months. g-went in Canadian funds, subject to 15% non-resident tax. h-100% owned by Canadian resident. i-100% owned by Canadian resident. j-paid this year, omitted, deferred, or no action taken an latest year's meeting. k-dividend declared or paid this year, an action taken in the year prior. l-100% owned by Canadian resident. m-past 52 weeks The high-low range begins with the start of trading, not next day delivery. P/E-price-earnings ratio. r-dividend rate. s-100% owned by Canadian resident. t-100% owned by Canadian resident. u-sloppy split. Dividends begins with date of split. sss-also cash dividend paid in stock in preceding 12 months. estimated cash dividend. v-100% owned by Canadian resident. w-trading halted w/in bankruptcy or receivership. x-100% owned by Canadian resident. y-organized under the Bankruptcy Act, or otherwise assumed such companies w/in when distributed w/in-when issued w/in-when issued w/in. z-100% owned by Canadian resident. aa-without warrants. ab-dividend and sales in full, yd-year

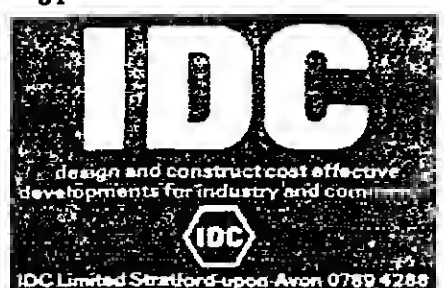
OF THE DOLLAR
the Financial Times

WORLD VALUE OF THE DOLLAR
every Friday in the Financial Times

OVER-THE-COUNTER *Nasdaq national market, closing prices*[illegible][illegible]

Continued on Page 40

هكذا صنع القليل

**FT LONDON SHARE INFORMATION SERVICE**

BRITISH FUNDS

[illegible]

Fifteen Years

100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	1
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Fifteen Year

[illegible]

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		(b)		(c)	
1089	101	Tress, 2pc '88	6797.11	1677.44	5.96
1090	102	Do, 2pc '88	6797.11	1677.44	5.96
1091	103	Do, 2pc '88	267.97	1077.44	3.3
991	086	Do, 2pc '01	306.83	777.44	3.20
992	087	Do, 2pc '03	310.78	788.44	3.17
1024	104	Do, 2pc '08	3274.11	3221.44	2.08
1025	105	Do, 2pc '08	3274.11	3221.44	2.08
1044	916	Do, 2pc '71	1267.41	1267.44	3.71
954	503	Do, 2pc '16	3222.01	757.44	2.90
953	501	Do, 2pc '20	327.31	737.44	3.09

Prospective real redemption rate on projected utilization of 111.10% and 121.51%, 161 Figures in parentheses show RPI base month for indexing, and

INT. BANK AND O'SEAS
GOVT STERLING ISSUES

1314	952	11.74	11.21
1315	1054	11.75	11.22
1316	1054	11.75	11.22
1317	914	11.75	11.22
1318	914	11.75	11.22
1319	914	11.75	11.22
1320	914	11.75	11.22
1321	914	11.75	11.22
1322	914	11.75	11.22
1323	914	11.75	11.22
1324	914	11.75	11.22
1325	914	11.75	11.22
1326	914	11.75	11.22
1327	914	11.75	11.22
1328	914	11.75	11.22
1329	914	11.75	11.22
1330	914	11.75	11.22
1331	914	11.75	11.22
1332	914	11.75	11.22
1333	914	11.75	11.22
1334	914	11.75	11.22
1335	914	11.75	11.22
1336	914	11.75	11.22
1337	914	11.75	11.22
1338	914	11.75	11.22
1339	914	11.75	11.22
1340	914	11.75	11.22
1341	914	11.75	11.22
1342	914	11.75	11.22
1343	914	11.75	11.22
1344	914	11.75	11.22
1345	914	11.75	11.22
1346	914	11.75	11.22
1347	914	11.75	11.22
1348	914	11.75	11.22
1349	914	11.75	11.22
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1351	914	11.75	11.22
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1356	914	11.75	11.22
1357	914	11.75	11.22
1358	914	11.75	11.22
1359	914	11.75	11.22
1360	914	11.75	11.22
1361	914	11.75	11.22
1362	914	11.75	11.22
1363	914	11.75	11.22
1364	914	11.75	11.22
1365	914	11.75	11.22
1366	914	11.75	11.22
1367	914	11.75	11.22
1368	914	11.75	11.22
1369	914	11.75	11.22
1370	914	11.75	11.22
1371	914	11.75	11.22
1372	914	11.75	11.22
1373	914	11.75	11.22
1374	914	11.75	11.22
1375	914	11.75	11.22
1376	914	11.75	11.22
1377	914	11.75	11.22
1378	914	11.75	11.22
1379	914	11.75	11.22
1380	914	11.75	11.22
1381	914	11.75	11.22
1382	914	11.75	11.22
1383	914	11.75	11.22
1384	914	11.75	11.22
1385	914	11.75	11.22
1386	914	11.75	11.22
1387	914	11.75	11.22
1388	914	11.75	11.22
1389	914	11.75	11.22
1390	914	11.75	11.22
1391	914	11.75	11.22
1392	914	11.75	11.22
1393	914	11.75	11.22
1394	914	11.75	11.22
1395	914	11.75	11.22
1396	914	11.75	11.22
1397	914	11.75	11.22
1398	914	11.75	11.22

CORPORATION LOANS

1003	90	Black 11/19/1985	1904	11.17	10.42
1004	99	Whitman 12/19/1985	1814	12.23	10.05
1005	99	Barney 12/19/1987	3633	12.54	11.39
1006	99	Carroll 11/11/1988	779	11.03	11.15
1007	72	McG 6/16/1990-92	779	8.87	11.14
1008	99	Levin 5/19/1985-87	891	7.56	11.61
124	110	Levin 12/19/2006	1294	11.38	11.20
30	23	Whitman 3/19/1985	277	1.03	-
301	93	Loren 4/19/84-85	994	9.32	10.87
302	83	McG 2/19/85-87	821	2.87	10.76
303	99	Levin 5/19/85-87	821	8.43	10.84
264	92	Do 3/20/88	251	1.83	-
102	99	Stamler 12/19/1984	1304	12.26	10.61

COMMONWEALTH AND
AFRICAN LEADS

AFRICAN LDNS					
524	74	102.7% Apr 1985-92	82	9.12	11.29
181	179	Do. 7.9% '83-86	989	7.89	10.63
62	62	Do. 1.3% '87-90	380	2.7	3.67
65	65	Do. 4.9% '87-92 (Avg)	63	6.70	13.60
375	203	Zimbabwe Area 121000	2938	---	15.39

LDNS Building Societies					
100%	99	100% 10 Apr 312.84	100%	10.12	9.17
100%	100	Do. 10 Apr 312.84	99%	10.51	10.49

984	Do. 10.2 pc 18.285	997	+ 1	10.20
973	Do. 9.18 pc 23.185	997	+ 1	9.47

[illegible]

964	low as ind. 64pc Db 81-84	102.5	...	6.28
971	Do 104pc Ua Ln 1986	102	...	10.67

[illegible]

9	Dr. Sep 1913	10	—
70	Dr. Sep '25 Bangor	71	—

55	46	Green 7pc Ass.	58	33	16.17
56	48	Do. doc 28 Sds. Ass.	50	30	15.99
57	46	Do 4pc Mixed Ass.	52	22	13.87
58	48	Do 7pc Ass.	54	24	14.17
59	114	Hydra Green 7pc 2011	125-96	15	11.74
62	70	Island 6 pc 93-58	86	60	11.80
128	104	Do 14 1/2 pc Ls. 2016	120	+1	12.44
130	92	Island 9 pc 91-06	92*	-	11.18
512	299	Japan 4pc 10 Ass.	318		
93	62	Do. doc 93-58	163		10.20
94	62	Do. doc 93-58	163	+22	10.52
991	182	7pc Ass. 2017	252		
993	182	7pc Ass. 1991	252	-	11.00

AMERICANS

[illegible]

BEERS WINES—Cont

[illegible]**DRAPERY & STORES—Cont.**[illegible]

ENGINEERING—Continued

[illegible]

ELECTRICAL 9

155	144	AB Electronics	100	+5	1.20	17	20
156	143	AB G. Sec. Data Sys.	177		1.40	0	17
157	142	Advanced Computer Inc.	100		1.40	0	17
158	141	Adco	100		1.40	0	17
159	140	Adhesiveco Inc.	111		1.40	0	17
160	139	Aerofast	100		1.40	0	17
161	138	Aerofast Inc.	100		1.40	0	17
162	137	Aerofast Inc.	100		1.40	0	17
163	136	Aerofast Inc.	100		1.40	0	17
164	135	Aerofast Inc.	100		1.40	0	17
165	134	Aerofast Inc.	100		1.40	0	17
166	133	Aerofast Inc.	100		1.40	0	17
167	132	Aerofast Inc.	100		1.40	0	17
168	131	Aerofast Inc.	100		1.40	0	17
169	130	Aerofast Inc.	100		1.40	0	17
170	129	Aerofast Inc.	100		1.40	0	17
171	128	Aerofast Inc.	100		1.40	0	17
172	127	Aerofast Inc.	100		1.40	0	17
173	126	Aerofast Inc.	100		1.40	0	17
174	125	Aerofast Inc.	100		1.40	0	17
175	124	Aerofast Inc.	100		1.40	0	17
176	123	Aerofast Inc.	100		1.40	0	17
177	122	Aerofast Inc.	100		1.40	0	17
178	121	Aerofast Inc.	100		1.40	0	17
179	120	Aerofast Inc.	100		1.40	0	17
180	119	Aerofast Inc.	100		1.40	0	17
181	118	Aerofast Inc.	100		1.40	0	17
182	117	Aerofast Inc.	100		1.40	0	17
183	116	Aerofast Inc.	100		1.40	0	17
184	115	Aerofast Inc.	100		1.40	0	17
185	114	Aerofast Inc.	100		1.40	0	17
186	113	Aerofast Inc.	100		1.40	0	17
187	112	Aerofast Inc.	100		1.40	0	17
188	111	Aerofast Inc.	100		1.40	0	17
189	110	Aerofast Inc.	100		1.40	0	17
190	109	Aerofast Inc.	100		1.40	0	17
191	108	Aerofast Inc.	100		1.40	0	17
192	107	Aerofast Inc.	100		1.40	0	17
193	106	Aerofast Inc.	100		1.40	0	17
194	105	Aerofast Inc.	100		1.40	0	17
195	104	Aerofast Inc.	100		1.40	0	17
196	103	Aerofast Inc.	100		1.40	0	17
197	102	Aerofast Inc.	100		1.40	0	17
198	101	Aerofast Inc.	100		1.40	0	17
199	100	Aerofast Inc.	100		1.40	0	17
200	99	Aerofast Inc.	100		1.40	0	17
201	98	Aerofast Inc.	100		1.40	0	17
202	97	Aerofast Inc.	100		1.40	0	17
203	96	Aerofast Inc.	100		1.40	0	17
204	95	Aerofast Inc.	100		1.40	0	17
205	94	Aerofast Inc.	100		1.40	0	17
206	93	Aerofast Inc.	100		1.40	0	17
207	92	Aerofast Inc.	100		1.40	0	17
208	91	Aerofast Inc.	100		1.40	0	17
209	90	Aerofast Inc.	100		1.40	0	17
210	89	Aerofast Inc.	100		1.40	0	17
211	88	Aerofast Inc.	100		1.40	0	17
212	87	Aerofast Inc.	100		1.40	0	17
213	86	Aerofast Inc.	100		1.40	0	17
214	85	Aerofast Inc.	100		1.40	0	17
215	84	Aerofast Inc.	100		1.40	0	17
216	83	Aerofast Inc.	100		1.40	0	17
217	82	Aerofast Inc.	100		1.40	0	17
218	81	Aerofast Inc.	100		1.40	0	17
219	80	Aerofast Inc.	100		1.40	0	17
220	79	Aerofast Inc.	100		1.40	0	17
221	78	Aerofast Inc.	100		1.40	0	17
222	77	Aerofast Inc.	100		1.40	0	17
223	76	Aerofast Inc.	100		1.40	0	17
224	75	Aerofast Inc.	100		1.40	0	17
225	74	Aerofast Inc.	100		1.40	0	17
226	73	Aerofast Inc.	100		1.40	0	17
227	72	Aerofast Inc.	100		1.40	0	17
228	71	Aerofast Inc.	100		1.40	0	17
229	70	Aerofast Inc.	100		1.40	0	17
230	69	Aerofast Inc.	100		1.40	0	17
231	68	Aerofast Inc.	100		1.40	0	17
232	67	Aerofast Inc.	100		1.40	0	17
233	66	Aerofast Inc.	100		1.40	0	17
234	65	Aerofast Inc.	100		1.40	0	17
235	64	Aerofast Inc.	100		1.40	0	17
236	63	Aerofast Inc.	100		1.40	0	17
237	62	Aerofast Inc.	100		1.40	0	17
238	61	Aerofast Inc.	100		1.40	0	17
239	60	Aerofast Inc.	100		1.40	0	17
240	59	Aerofast Inc.	100		1.40	0	17
241	58	Aerofast Inc.	100		1.40	0	17
242	57	Aerofast Inc.	100		1.40	0	17
243	56	Aerofast Inc.	100		1.40	0	17
244	55	Aerofast Inc.	100		1.40	0	17
245	54	Aerofast Inc.	100		1.40	0	17
246	53	Aerofast Inc.	100		1.40	0	17
247	52	Aerofast Inc.	100		1.40	0	17
248	51	Aerofast Inc.	100		1.40	0	17
249	50	Aerofast Inc.	100		1.40	0	17
250	49	Aerofast Inc.	100		1.40	0	17
251	48	Aerofast Inc.	100		1.40	0	17
252	47	Aerofast Inc.	100		1.40	0	17
253	46	Aerofast Inc.	100		1.40	0	17
254	45	Aerofast Inc.	100		1.40	0	17
255	44	Aerofast Inc.	100		1.40	0	17
256	43	Aerofast Inc.	100		1.40	0	17
257	42	Aerofast Inc.	100		1.40	0	17
258	41	Aerofast Inc.	100		1.40	0	17
259	40	Aerofast Inc.	100		1.40	0	17
260	39	Aerofast Inc.	100		1.40	0	17
261	38	Aerofast Inc.	100		1.40	0	17
262	37	Aerofast Inc.	100		1.40	0	17
263	36	Aerofast Inc.	100		1.40	0	17
264	35	Aerofast Inc.	100		1.40	0	17
265	34	Aerofast Inc.	100		1.40	0	17
266	33	Aerofast Inc.	100		1.40	0	17
267	32	Aerofast Inc.	100		1.40	0	17
268	31	Aerofast Inc.	100		1.40	0	17
269	30	Aerofast Inc.	100		1.40	0	17
270	29	Aerofast Inc.	100		1.40	0	17
271	28	Aerofast Inc.	100		1.40	0	17
272	27	Aerofast Inc.	100		1.40	0	17
273	26	Aerofast Inc.	100		1.40	0	17
274	25	Aerofast Inc.	100		1.40	0	17
275	24	Aerofast Inc.	100		1.40	0	17
276	23	Aerofast Inc.	100		1.40	0	17
277	22	Aerofast Inc.	100		1.40	0	17
278	21	Aerofast Inc.	100		1.40	0	17
279	20	Aerofast Inc.	100		1.40	0	17
280	19	Aerofast Inc.	100		1.40	0	17
281	18	Aerofast Inc.	100		1.40	0	17
282	17	Aerofast Inc.	100		1.40	0	17
283	16	Aerofast Inc.	100		1.40	0	17
284	15	Aerofast Inc.	100		1.40	0	17
285	14	Aerofast Inc.	100		1.40	0	17
286	13	Aerofast Inc.	100		1.40	0	17
287	12	Aerofast Inc.	100		1.40	0	17
288	11	Aerofast Inc.	100		1.40	0	17
289	10	Aerofast Inc.	100		1.40	0	17
290	9	Aerofast Inc.	100		1.40	0	17
291	8	Aerofast Inc.	100		1.40	0	17
292	7	Aerofast Inc.	100		1.40	0	17
293	6	Aerofast Inc.	100		1.40	0	17
294	5	Aerofast Inc.	100		1.40	0	17
295	4	Aerofast Inc.	100		1.40	0	17
296	3	Aerofast Inc.	100		1.40	0	17
297	2	Aerofast Inc.	100		1.40	0	17
298	1	Aerofast Inc.	100		1.40	0	17
299	0	Aerofast Inc.	100		1.40	0	17
300	0	Aerofast Inc.	100		1.40	0	17

25 Roberts Adlard _____

[illegible]

CHEMICALS PLASTICS

[illegible]

DRAPERY AND STORES

FOREIGN		FOREIGN	
394	100	377	124
395	100	179	125
396	100	256	126
397	100	179	127
398	100	179	128
399	100	179	129
400	100	179	130
401	100	179	131
402	100	179	132
403	100	179	133
404	100	179	134
405	100	179	135
406	100	179	136
407	100	179	137
408	100	179	138
409	100	179	139
410	100	179	140
411	100	179	141
412	100	179	142
413	100	179	143
414	100	179	144
415	100	179	145
416	100	179	146
417	100	179	147
418	100	179	148
419	100	179	149
420	100	179	150
421	100	179	151
422	100	179	152
423	100	179	153
424	100	179	154
425	100	179	155
426	100	179	156
427	100	179	157
428	100	179	158
429	100	179	159
430	100	179	160
431	100	179	161
432	100	179	162
433	100	179	163
434	100	179	164
435	100	179	165
436	100	179	166
437	100	179	167
438	100	179	168
439	100	179	169
440	100	179	170
441	100	179	171
442	100	179	172
443	100	179	173
444	100	179	174
445	100	179	175
446	100	179	176
447	100	179	177
448	100	179	178
449	100	179	179
450	100	179	180
451	100	179	181
452	100	179	182
453	100	179	183
454	100	179	184
455	100	179	185
456	100	179	186
457	100	179	187
458	100	179	188
459	100	179	189
460	100	179	190
461	100	179	191
462	100	179	192
463	100	179	193
464	100	179	194
465	100	179	195
466	100	179	196
467	100	179	197
468	100	179	198
469	100	179	199
470	100	179	200

Goldberg A.	60	-2	5.25	1.5	12.5
Goldman R. Jr.	13				

[illegible]

FOOD GROCERIES ETC

[illegible]

HOTELS AND CATERERS

69	139	Concord Inc. 10s	60	10.74	28	1.6
28	28	Exxon Hldg.	33	10.31	28	1.6
190	80	Garfield Hst. Bldg.	170	12.19	30	1.7
360	270	Gen. Mkt. 50s	330	10.02	30	1.7
54	54	Hill Enterprises 25s	84	0.42	40	2.3
54	45	Hotel Empires 25s	84	0.22	40	2.3
275	275	Hotel Empires 10s	275	12.14	30	1.7
196	182	Lafayette 10s	290	10.00	30	1.7
342	342	La Part Hotels	340	17.39	30	1.7
245	115	Mallcommer Inc. 10s	225	2.5	23	1.4
650	300	Mar. Chifford 10s	225	11.03	32	2.2
135	54	Mar. Chifford 25s	225	10.2	32	1.4
135	54	Mar. Chifford 10s	225	10.2	32	1.4
480	370	Princess Motel 5s	480	11.11	30	1.7
6208	418	Re. 1000000 89-91	6208	0.00	74	5.1
174	7	Ryan Hotels 5s	174			

HOTELS—Continued

1994	Year	Stock	Price	100	100	100	100	100	100
129	34	SH	129	34	129	34	129	34	129
130	35	SH	130	35	130	35	130	35	130
131	36	SH	131	36	131	36	131	36	131
132	37	SH	132	37	132	37	132	37	132
133	38	SH	133	38	133	38	133	38	133
134	39	SH	134	39	134	39	134	39	134
135	40	SH	135	40	135	40	135	40	135
136	41	SH	136	41	136	41	136	41	136
137	42	SH	137	42	137	42	137	42	137
138	43	SH	138	43	138	43	138	43	138
139	44	SH	139	44	139	44	139	44	139
140	45	SH	140	45	140	45	140	45	140
141	46	SH	141	46	141	46	141	46	141
142	47	SH	142	47	142	47	142	47	142
143	48	SH	143	48	143	48	143	48	143
144	49	SH	144	49	144	49	144	49	144
145	50	SH	145	50	145	50	145	50	145
146	51	SH	146	51	146	51	146	51	146
147	52	SH	147	52	147	52	147	52	147
148	53	SH	148	53	148	53	148	53	148
149	54	SH	149	54	149	54	149	54	149
150	55	SH	150	55	150	55	150	55	150
151	56	SH	151	56	151	56	151	56	151
152	57	SH	152	57	152	57	152	57	152
153	58	SH	153	58	153	58	153	58	153
154	59	SH	154	59	154	59	154	59	154
155	60	SH	155	60	155	60	155	60	155
156	61	SH	156	61	156	61	156	61	156
157	62	SH	157	62	157	62	157	62	157
158	63	SH	158	63	158	63	158	63	158
159	64	SH	159	64	159	64	159	64	159
160	65	SH	160	65	160	65	160	65	160
161	66	SH	161	66	161	66	161	66	161
162	67	SH	162	67	162	67	162	67	162
163	68	SH	163	68	163	68	163	68	163
164	69	SH	164	69	164	69	164	69	164
165	70	SH	165	70	165	70	165	70	165
166	71	SH	166	71	166	71	166	71	166
167	72	SH	167	72	167	72	167	72	167
168	73	SH	168	73	168	73	168	73	168
169	74	SH	169	74	169	74	169	74	169
170	75	SH	170	75	170	75	170	75	170
171	76	SH	171	76	171	76	171	76	171
172	77	SH	172	77	172	77	172	77	172
173	78	SH	173	78	173	78	173	78	173
174	79	SH	174	79	174	79	174	79	174
175	80	SH	175	80	175	80	175	80	175
176	81	SH	176	81	176	81	176	81	176
177	82	SH	177	82	177	82	177	82	177
178	83	SH	178	83	178	83	178	83	178

هكذا من القليل

OIL AND GAS—Continued

[illegible]

210	Brandsen 90c	366	-12	038	0
211	Brandsen 100c	366	-12	038	0
212	Brandsen 110c	366	-12	038	0
213	Clark Range R1	257	-9	029	0
214	Clark Range 10c	257	-9	029	0
215	Clark Range 20c	257	-9	029	0
216	Clark Range 30c	257	-9	029	0
217	Clark Range 40c	257	-9	029	0
218	Clark Range 50c	257	-9	029	0
219	Clark Range 60c	257	-9	029	0
220	Clark Range 70c	257	-9	029	0
221	Clark Range 80c	257	-9	029	0
222	Clark Range 90c	257	-9	029	0
223	Clark Range 100c	257	-9	029	0
224	Clark Range 110c	257	-9	029	0
225	Clark Range 120c	257	-9	029	0
226	Clark Range 130c	257	-9	029	0
227	Clark Range 140c	257	-9	029	0
228	Clark Range 150c	257	-9	029	0
229	Clark Range 160c	257	-9	029	0
230	Clark Range 170c	257	-9	029	0
231	Clark Range 180c	257	-9	029	0
232	Clark Range 190c	257	-9	029	0
233	Clark Range 200c	257	-9	029	0
234	Clark Range 210c	257	-9	029	0
235	Clark Range 220c	257	-9	029	0
236	Clark Range 230c	257	-9	029	0
237	Clark Range 240c	257	-9	029	0
238	Clark Range 250c	257	-9	029	0
239	Clark Range 260c	257	-9	029	0
240	Clark Range 270c	257	-9	029	0
241	Clark Range 280c	257	-9	029	0
242	Clark Range 290c	257	-9	029	0
243	Clark Range 300c	257	-9	029	0
244	Clark Range 310c	257	-9	029	0
245	Clark Range 320c	257	-9	029	0
246	Clark Range 330c	257	-9	029	0
247	Clark Range 340c	257	-9	029	0
248	Clark Range 350c	257	-9	029	0
249	Clark Range 360c	257	-9	029	0
250	Clark Range 370c	257	-9	029	0
251	Clark Range 380c	257	-9	029	0
252	Clark Range 390c	257	-9	029	0
253	Clark Range 400c	257	-9	029	0
254	Clark Range 410c	257	-9	029	0
255	Clark Range 420c	257	-9	029	0
256	Clark Range 430c	257	-9	029	0
257	Clark Range 440c	257	-9	029	0
258	Clark Range 450c	257	-9	029	0
259	Clark Range 460c	257	-9	029	0
260	Clark Range 470c	257	-9	029	0
261	Clark Range 480c	257	-9	029	0
262	Clark Range 490c	257	-9	029	0
263	Clark Range 500c	257	-9	029	0
264	Clark Range 510c	257	-9	029	0
265	Clark Range 520c	257	-9	029	0
266	Clark Range 530c	257	-9	029	0
267	Clark Range 540c	257	-9	029	0
268	Clark Range 550c	257	-9	029	0
269	Clark Range 560c	257	-9	029	0
270	Clark Range 570c	257	-9	029	0
271	Clark Range 580c	257	-9	029	0
272	Clark Range 590c	257	-9	029	0
273	Clark Range 600c	257	-9	029	0
274	Clark Range 610c	257	-9	029	0
275	Clark Range 620c	257	-9	029	0
276	Clark Range 630c	257	-9	029	0
277	Clark Range 640c	257	-9	029	0
278	Clark Range 650c	257	-9	029	0
279	Clark Range 660c	257	-9	029	0
280	Clark Range 670c	257	-9	029	0
281	Clark Range 680c	257	-9	029	0
282	Clark Range 690c	257	-9	029	0
283	Clark Range 700c	257	-9	029	0
284	Clark Range 710c	257	-9	029	0
285	Clark Range 720c	257	-9	029	0
286	Clark Range 730c	257	-9	029	0
287	Clark Range 740c	257	-9	029	0
288	Clark Range 750c	257	-9	029	0
289	Clark Range 760c	257	-9	029	0
290	Clark Range 770c	257	-9	029	0
291	Clark Range 780c	257	-9	029	0
292	Clark Range 790c	257	-9	029	0
293	Clark Range 800c	257	-9	029	0
294	Clark Range 810c	257	-9	029	0
295	Clark Range 820c	257	-9	029	0
296	Clark Range 830c	257	-9	029	0
297	Clark Range 840c	257	-9	029	0
298	Clark Range 850c	257	-9	029	0
299	Clark Range 860c	257	-9	029	0
300	Clark Range 870c	257	-9	029	0
301	Clark Range 880c	257	-9	029	0
302	Clark Range 890c	257	-9	029	0
303	Clark Range 900c	257	-9	029	0
304	Clark Range 910c	257	-9	029	0
305	Clark Range 920c	257	-9	029	0
306	Clark Range 930c	257	-9	029	0
307	Clark Range 940c	257	-9	029	0
308	Clark Range 950c	257	-9	029	0
309	Clark Range 960c	257	-9	029	0
310	Clark Range 970c	257	-9	029	0
311	Clark Range 980c	257	-9	029	0
312	Clark Range 990c	257	-9	029	0
313	Clark Range 1000c	257	-9	029	0
314	Clark Range 1010c	257	-9	029	0
315	Clark Range 1020c	257	-9	029	0
316	Clark Range 1030c	257	-9	029	0
317	Clark Range 1040c	257	-9	029	0
318	Clark Range 1050c	257	-9	029	0
319	Clark Range 1060c	257	-9	029	0
320	Clark Range 1070c	257	-9	029	0
321	Clark Range 1080c	257	-9	029	0
322	Clark Range 1090c	257	-9	029	0
323	Clark Range 1100c	257	-9	029	0
324	Clark Range 1110c	257	-9	029	0
325	Clark Range 1120c	257	-9	029	0
326	Clark Range 1130c	257	-9	029	0
327	Clark Range 1140c	257	-9	029	0
328	Clark Range 1150c	257	-9	029	0
329	Clark Range 1160c	257	-9	029	0
330	Clark Range 1170c	257	-9	029	0
331	Clark Range 1180c	257	-9	029	0
332	Clark Range 1190c	257	-9	029	0
333	Clark Range 1200c	257	-9	029	0
334	Clark Range 1210c	257	-9	029	0
335	Clark Range 1220c	257	-9	029	0
336	Clark Range 1230c	257	-9	029	0
337	Clark Range 1240c	257	-9	029	0
338	Clark Range 1250c	257	-9	029	0
339	Clark Range 1260c	257	-9	029	0
340	Clark Range 1270c	257	-9	029	0
341	Clark Range 1280c	257	-9	029	0
342	Clark Range 1290c	257	-9	029	0
343	Clark Range 1300c	257	-9	029	0
344	Clark Range 1310c	257	-9	029	0
345	Clark Range 1320c	257	-9	029	0
346	Clark Range 1330c	257	-9	029	0
347	Clark Range 1340c	257	-9	029	0
348	Clark Range 1350c	257	-9	029	0
349	Clark Range 1360c	257	-9	029	0
350	Clark Range 1370c	257	-9	029	0
351	Clark Range 1380c	257	-9	029	0
352	Clark Range 1390c	257	-9	029	0
353	Clark Range 1400c	257	-9	029	0
354	Clark Range 1410c	257	-9	029	0
355	Clark Range 1420c	257	-9	029	0
356	Clark Range 1430c	257	-9	029	0
357	Clark Range 1440c	257	-9	029	0
358	Clark Range 1450c	257	-9	029	0
359	Clark Range 1460c	257	-9	029	0
360	Clark Range 1470c	257	-9	029	0
361	Clark Range 1480c	257	-9	029	0
362	Clark Range 1490c	257	-9	029	0
363	Clark Range 1500c	257	-9	029	0
364	Clark Range 1510c	257	-9	029	0
365	Clark Range 1520c	257	-9	029	0
366	Clark Range 1530c	257	-9	029	0
367	Clark Range 1540c	257	-9	029	0
368	Clark Range 1550c	257	-9	029	0
369	Clark Range 1560c	257	-9	029	0
370	Clark Range 1570c	257	-9	029	0
371	Clark Range 1580c	257	-9	029	0
372	Clark Range 1590c	257	-9	029	0
373	Clark Range 1600c	257	-9	029	0
374	Clark Range 1610c	257	-9	029	0
375	Clark Range 1620c	257	-9	029	0
376	Clark Range 1630c	257	-9	029	0
377	Clark Range 1640c	257	-9	029	0
378	Clark Range 1650c	257	-9	029	0
379	Clark Range 1660c	257	-9	029	0
380	Clark Range 1670c	257	-9	029	0
381	Clark Range 1680c	257	-9	029	0
382	Clark Range 1690c	257	-9	029	0
383	Clark Range 1700c	257	-9	029	0
384	Clark Range 1710c	257	-9	029	0
385	Clark Range 1720c	257	-9	029	0
386	Clark Range 1730c	257	-9	029	0
387	Clark Range 1740c	257	-9	029	0
388	Clark Range 1750c	257	-9	029	0
389	Clark Range 1760c	257	-9	029	0
390	Clark Range 1770c	257	-9	029	0
391	Clark Range 1780c	257	-9	029	0
392	Clark Range 1790c	257	-9	029	0
393	Clark Range 1800c	257	-9	029	0
394	Clark Range 1810c	257	-9	029	0
395	Clark Range 1820c	257	-9	029	0
396	Clark Range 1830c	257	-9	029	0
397	Clark Range 1840c	257	-9	029	0
398	Clark Range 1850c	257	-9	029	0
399	Clark Range 1860c	257	-9	029	0
400	Clark Range 1870c	257	-9	029	0
401	Clark Range 1880c	257	-9	029	0
402	Clark Range 1890c	257	-9	029	0
403	Clark Range 1900c	257	-9	029	0
404	Clark Range 1910c	257	-9	029	0
405	Clark Range 1920c	257	-9	029	0
406	Clark Range 1930c	257	-9	029	0
407	Clark Range 1940c	257	-9	029	0
408	Clark Range 1950c	257	-9	029	0
409	Clark Range 1960c	257	-9	029	0
410	Clark Range 1970c	257	-9	029	0
411	Clark Range 1980c	257	-9	029	0
412	Clark Range 1990c	257	-9	029	0
413	Clark Range 2000c	257	-9	029	0
414	Clark Range 2010c	257	-9	029	0
415	Clark Range 2020c	257	-9	029	0
416	Clark Range 2030c	257	-9	029	0
417	Clark Range 2040c	257	-9	029	0
418	Clark Range 2050c	257	-9	029	0
419	Clark Range 2060c	257	-9	029	0
420	Clark Range 2070c	257	-9	029	0
421	Clark Range 2080c	257	-9	029	0
422	Clark Range 2090c	257	-9	029	0
423	Clark Range 2100c	257	-9	029	0
424	Clark Range 2110c	257	-9	029	0
425	Clark Range 2120c	257	-9	029	0
426	Clark Range 2130c	257	-9	029	0
427	Clark Range 2140c	257	-9	029	0
428	Clark Range 2150c	257	-9	029	0
429	Clark Range 2160c	257	-9	029	0
430	Clark Range 2170c	257	-9	029	0
431	Clark Range 2180c	257	-9	029	0
432	Clark Range 2190c	257	-9	029	0
433	Clark Range 2200c	257	-9	029	0
434	Clark Range 2210c	257	-9	029	0
435	Clark Range 2220c	257	-9	029	0
436	Clark Range 2230c	257	-9	029	0
437	Clark Range 2240c	257	-9	029	0
438	Clark Range 2250c	257	-9	029	0
439	Clark Range 2260c	257	-9	029	0
440	Clark Range 2270c	257	-9	029	0
441	Clark Range 2280c	257	-9	029	0
442	Clark Range 2290c	257	-9	029	0
443	Clark Range 2300c	257	-9	029	0
444	Clark Range 2310c	257	-9	029	0
445	Clark Range 2320c	257	-9		

MINES—Continued

[illegible]

310	210	Aggr Hitzsch SM1	235	1005d	1.0
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210	145	Wongkab H. Tin \$M1	2108	...	vq23c	1.2
430	245	Trunch \$M1	275	\$vQ65d	1.4

NOTES

Yields are based on middle prices, are gross, adjusted to ACT of 30 per cent and allow for value of declared distribution and rights.

Price at time of suspension.
Indicated dividend after pending scrip and/or rights issue: cover related credits dividend or forecast

^b Figures based on prospectus or other offer estimate. ^c Conv. ^d Dividend paid or payable as part of capital. ^e Price based on dividend on full cap.

Dividend price. F Dividend and yield based on prospectus or other official estimates for 1983-84. G Assumed dividend and yield after pending scrip or rights issue. H Dividend and yield based on prospectus or other official

The following is a selection of Regional and Irish clocks, the latter being quoted in Irish currency.

REL. 4% 8/1/91	124%	100%	67	+2
Fm. 13% 97/02	127%	Under	77	

Barclays Bank	45	Leathrope	23	Brit Land	1
Beecham	32	Legal & Gen	43	Cap Counties	11

Continental Oil Co.	16	Nat'l. West. Ind.	58	Brit. Petroleum	20
Coastal Ind.	11	P & O Ind.	25	Burmah Oil	17
Dobson Ind.	14	Platinum	30		

Guardian	50	Trust Houses	2.0	Cons Gold	50
GACN	20	Turner Newall	2.8	Lauria	17

known for each security.

FT UNIT TRUST INFORMATION SERVICE

3.6	119.4
3.7	120.1
4.0	102.2
4.5	108.4
5.1	104.4
5.4	122.1
5.7	118.7

March Ltd.
Barnham, 0202 7676

4.1	822.4
4.4	372.5
7.9	282.5
8.2	129.5
8.3	192.5
8.7	303.7

5.1	196.3	200.0	
5.2	184.3	190.0	
5.3	184.0	190.0	
5.7	147.1	150.0	
5.8	144.1	150.0	
6.1	255.1	-0.7	
6.7	200.8	-1.6	
6.7	200.6	-1.6	
6.5	205.0	+1.2	
6.6	181.9	-0.7	
7.2	115.1	-7.5	

Mrs. Sec. Ltd.
 age, E16EU 01-377 112
 151.39
 63.97
 5.9 191.0
 5.1 85

	01-283 718		
357.2			
258.3	-0.7		
291.9	-0.7		
333.0	-1.1		
372.4	-1.1		
219.8	+0.5		
348.8	+0.5		
253.0	-1.1		
287.4	-1.1		
171.5	-0.6		
115.5	-0.6		
124.5	-1.4		
127.1	-1.5		

1	130.7	.....
1	148.5	.....
1	100.8	+0.1
1	104.3	+0.1
0	131.8	.....
0	151.9	+0.1
INT. LBS.		
1	765.6	+0.1
1	704.9	+0.2
2	379.2	-1.7
2	999.1	-1.6
3	521.3	+0.3
3	527.0	+0.4
3	251.2	-5.7
1	279.1	-2.3
3	141.4	.....
3	187.3	.....
3	103.1	-0.1
4	180.7	.....
5	754.0	.....
5	172.1	.....

2	2004.4									
4	2005.7									
7	2011.3									
8	2019.1									
2	2024.0									
2	2028.2									
7	2031.4									
9	2035.5									
9	2039.6									
5	2043.7									
5	2047.8									
4	2051.9									
4	2056.0									
4	2100.1									
4	2104.2									
4	2108.3									
4	2112.4									
4	2116.5									
4	2120.6									
4	2124.7									
4	2128.8									
4	2132.9									
4	2137.0									
4	2141.1									
4	2145.2									
4	2149.3									
4	2153.4									
4	2157.5									
4	2201.6									
4	2205.7									
4	2209.8									
4	2213.9									
4	2218.0									
4	2222.1									
4	2226.2									
4	2230.3									
4	2234.4									
4	2238.5									
4	2242.6									
4	2246.7									
4	2250.8									
4	2254.9									
4	2259.0									
4	2303.1									
4	2307.2									
4	2311.3									
4	2315.4									
4	2319.5									
4	2323.6									
4	2327.7									
4	2331.8									
4	2335.9									
4	2340.0									
4	2344.1									
4	2348.2									
4	2352.3									
4	2356.4									
4	2400.5									
4	2404.6									
4	2408.7									
4	2412.8									
4	2416.9									
4	2421.0									
4	2425.1									
4	2429.2									
4	2433.3									
4	2437.4									
4	2441.5									
4	2445.6									
4	2449.7									
4	2453.8									
4	2457.9									
4	2502.0									
4	2506.1									
4	2510.2									
4	2514.3									
4	2518.4									
4	2522.5									
4	2526.6									
4	2530.7									
4	2534.8									
4	2538.9									
4	2543.0									
4	2547.1									
4	2551.2									
4	2555.3									
4	2559.4									
4	2603.5									
4	2607.6									
4	2611.7									
4	2615.8									
4	2619.9									
4	2624.0									
4	2628.1									
4	2632.2									
4	2636.3									
4	2640.4									
4	2644.5									
4	2648.6									
4	2652.7									
4	2656.8									
4	2700.9									
4	2705.0									
4	2709.1									
4	2713.2									
4	2717.3									
4	2721.4									
4	2725.5									
4	2729.6									
4	2733.7									
4	2737.8									
4	2741.9									
4	2746.0									
4	2750.1									
4	2754.2									
4	2758.3									
4	2802.4									
4	2806.5									
4	2810.6									
4	2814.7									
4	2818.8									
4	2822.9									
4	2827.0									
4	2831.1									
4	2835.2									
4	2839.3									
4	2843.4									
4	2847.5									
4	2851.6									
4	2855.7									
4	2859.8									
4	2903.9									
4	2908.0									
4	2912.1									
4	2916.2									
4	2920.3									
4	2924.4									
4	2928.5									
4	2932.6									
4	2936.7									
4	2940.8									
4	2944.9									
4	2949.0									
4	2953.1									
4	2957.2									
4	3001.3									
4	3005.4									
4	3009.5									
4	3013.6									
4	3017.7									
4	3021.8									
4	3025.9									
4	3030.0									
4	3034.1									
4	3038.2									
4	3042.3									
4	3046.4									
4	3050.5									
4	3054.6									
4	3058.7									
4	3102.8									
4	3106.9									
4	3111.0									
4	3115.1									
4	3119.2									
4	3123.3									
4	3127.4									
4	3131.5									
4	3135.6									
4	3139.7									
4	3143.8									
4	3147.9									
4	3152.0									
4	3156.1									
4	3200.2									
4	3204.3									
4	3208.4									
4	3212.5									
4	3216.6									
4	3220.7									
4	3224.8									
4	3228.9									
4	3233.0									
4	3237.1									
4	3241.2									
4	3245.3									
4	3249.4									
4	3253.5									
4	3257.6									
4	3301.7									
4	3305.8									
4	3309.9									
4	3314.0									
4	3318.1									
4	3322.2									
4	3326.3									
4	3330.4									
4	3334.5									
4	3338.6									
4	3342.7									
4	3346.8									
4	3350.9									
4	3355.0									
4	3400.1									
4	3404.2									
4	3408.3									
4	3412.4									
4	3416.5									
4	3420.6									
4	3424.7									
4	3428.8									
4	3432.9									
4	3437.0									
4	3441.1									
4	3445.2									
4	3449.3									
4	3453.4									
4	345									

1	251.4	+0.5	-
2	530.7	+0.7	-
3	740.3	+12.5	-
4	928.0	+15.0	-
5	116.5	-4.5	-
6	114.9	-4.5	-
7	116.9	-2.5	-
8	120.2	-2.4	-
9	230.4	+0.4	-
10	327.2	+0.8	-
11	277.4	+0.2	-
12	214.4	+0.5	-
13	105.3	+0.1	-
14	106.4	+0.3	-

Society
FC286RF 01-404 039

1	52.1	....	-
2	149.5	....	-

	01-638575	
9	182.1	-0.1
0	101.7	-0.2
3	178.9	-0.3
0	180.1	+1.0
6	135.4	+0.9
6	203.9	-0.1
4	237.5	+1.5
8	226.2	-1.0
2	128.7	none
9	215.7	none
0	150.6	none
1	133.9	none
2	180.7	-0.4
1	108.4	-0.1

131.2	-0.2	-
128.9	-0.3	-
141.4	-	-
126.7	+1.0	-
139.1	-0.9	-
137.6	-0.1	-
126.1	-	-
115.8	-	-

available on request.

Craydon, D1-686 4355

177.2	-0.7	-
178.2	-0.7	-
190.9	-0.4	-
173.7	-0.2	-
177.2	-0.7	-
202.4	-0.3	-
196.5	-	-

318.7	100%	---
157.5	-47	---
711.8	100%	---
166.2	100%	---
370.5	100%	---
194.3	100%	---
158.9	100%	---
292.0	100%	---
223.9	-0.4	---
183.7	100%	---
306.8	-0.6	---
208.6	-1.3	---
138.5	+1.3	---
262.9	-0.5	---
114.9	100%	---
193.7	-0.6	---
129.5	-0.6	---
112.9	-1.6	---
279.5	100%	---

183.2	183.2	183.2
434.4	434.4	434.4
332.7	332.7	332.7
236.5	236.5	236.5
174.1	174.1	174.1
347.9	347.9	347.9
233.0	233.0	233.0
238.8	238.8	238.8
791.4	791.4	791.4
112.2	112.2	112.2
99.5	99.5	99.5

193.5	
195.0	
197.4	
201.9	
196.5	

[illegible]

245.9	031 225 6166
144.2	
246.0	
171.1	01-203 3211
92.9	
280.3	
128.1	

Barth Month 93-96		
121.5	+0.1	---
159.9	+0.1	---
326.5	-0.9	---
409.5	-1.1	---
332.0	-6.1	---
242.1	-0.2	---
103.2	---	---
112.0	---	---
213.1	-0.1	---
263.2	---	---
267.9	-0.4	---
336.1	-0.6	---
150.9	---	---
168.7	---	---
175.0	---	---
228.3	---	---
465.9	-3.1	---

282.2	-1.2	-
299.9	-0.5	-
323.7	-0.6	-
106.4	—	—
215.6	—	—
748.5	-0.1	—
144.7	—	—
381.0	-1.2	—
486.0	-7.6	—
126.7	+0.1	—
228.9	—	—
128.7	—	10.5
142.6	—	10.5

Fd. Mgrs. Ltd.
 4TP. 01-2484678
 790.4 — —
 Nov 1.

10

[illegible]

Solution to Puzzle No. 536

B	R	I	D	C	H	A	C	K	O	T	
E	N	M	I	O	L	A	O				
R	E	V	O	S	T	A	N	D	A	O	
E	S	P	A	S	F	C	D				
F	R	I	G	A	N	D	S				
O	G	O	L	P	R	B	E				
P	E	A	T	Z	E	V	E	R	E	T	
E	S	A	M	R	S	G	G				
S	E	M	A	S	G						
Y	A	C	H	E	M	A	R	I	O	N	
A	S	N	C	L	A	M	E				
M	E	R	I	T	A	L	E	M	O	S	
P	E	A	V	E	S	G	O				
S	P	R	I	N	G	E	R				
S	P	R	I	N	G	E	R				

SPRINGER **GOLDEN**

[illegible]

هكذا عن القليل

